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LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

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The Nation's Business

Ottawa's Silence On Tax Issue

Reciprocity Pact Not in Sight

Farmers Ask Positive Action To Raise Prices

No Wheat Board

Federal Farm Loan Scheme Loses

Chief National Issue And It Is Ignored

MR. BENNETT'S numerous speeches of late have given the country an indication of his views on a number of matters of national importance. There is one subject, however, which his addresses seem to have overlooked, and as it is the most important single problem of the government, it is to be hoped that the Prime Minister will seize an early opportunity to discuss it freely and frankly with the public. This is the problem of public expenditures.

Mr. Bennett has given us no indication as to whether in the near future he expects to be able to balance the budget. He has made no reference to the large railway deficit, which is the chief contributing factor in the present unbalanced condition of the country's finances. He has not explained the long delay in the appointment of a Board of Trustees for the Canadian National Railways. He has not indicated whether there is any intention or prospect of reducing governmental expenditures during the coming year, so as to permit the country's outgo to be brought within the current income.

* * *

MR. BENNETT has made some notable contributions to Canadian recovery, particularly in the Ottawa agreements. Credit should be given to him also for certain negative policies; his refusal to be stampeded into N. R. A., currency inflation or similar experiments. But the administration at Ottawa has not paid sufficient attention to the very serious fact that our national debt is piling up annually at a very rapid rate, due to the fact that the budget is not balanced and because of the huge losses on the Canadian National Railways. Only the most puny efforts at public economy and at the solution of the railway problem have been made. A balanced budget in Canada would do much to establish confidence. But it is essential that the budget be balanced, not merely by increasing the taxes which are already so high that they are strangling business, but by reduction of expenses.

Ottawa has not reduced expenses even as much as the most profligate business organization in the country.

* * *

Reciprocity Moves Ahead Very Slowly

NEGOTIATIONS for a trade treaty between Canada and the United States have moved very slowly. The high hopes that were raised by Prime Minister Bennett's visit to Washington last spring have not been satisfied by concrete results.

Washington is apparently more concerned with meeting the immediate problems of the crisis and in working out a new internal social and economic structure than in developing policies designed to give international trade the shake-out that it needs. There is some evidence that President Roosevelt has as one of his longer term objectives international recovery but this long term objective has been temporarily shelved while the administration wrestles with its domestic problems.

* * *

WASHINGTON also apparently considers the Ottawa agreements as a complication in effecting a trade treaty with Canada. To some extent this is true but Canada would be foolish to modify its Imperial preference arrangements simply on the hope of a more liberal tariff policy from Washington. There is very little in past or present American policy to give any basis for such hope.

The third complication is the fact that on practically every item on which Canada would like to obtain a preferred position in the American market, there is some small or large but well-established vested interest in the United States which opposes any concession. Likewise, our own industries are not willing to make any tariff sacrifices to facilitate the negotiation of a reciprocal trade treaty.

No one of these three difficulties is an insuperable barrier to U. S.-Canada reciprocity. All three together do not make the negotiation of a treaty impossible. But all do

(Continued on page 2, col. 2)

JAPAN'S MOVE ENTER CANADA MART HALTED

Ottawa Applies Dumping Duty to Protect Industries

CANNOT COMPETE

Cheap Labor, Depreciated Yen Enable Japs to Undersell in Textile Market

From Our Own Correspondent

MONTREAL.—Japanese textile manufacturers' threat to corral the Canadian market at the expense of domestic manufacturers has been effectively squelched by the Dominion Government which has placed a stiff dumping duty on imports in order to place competition on an equitable basis.

Due to their extraordinarily low labor costs and depreciated value of the yen, Japanese producers have been making tremendous strides in the export of manufactured goods, especially in textile products. They have successfully copied recognized brands and have laid them down in foreign markets at prices which the domestic manufacturer has been unable to touch.

Hit British Trade

This form of competition has been particularly severe in India and elsewhere where British goods have long held the premier position. In the last three years Japanese exports of cotton piece goods have increased by 42 per cent, while British exports have fallen 54 per cent.

In the past twelve months the competition between the Japanese and European manufacturers has grown more intense. The former are putting forth strenuous efforts to consolidate the position they have already secured in certain markets, while the British and continental producers have been actively engaged in endeavoring to recover their lost position.

Raid Canadian Market

Canada has not been free of the Japanese move to enlarge its export markets. Nearly two and a half years ago British Columbia was flooded with imports of a cheap brand of men's socks from Japan. The quality was not good, but the price at which they were offered to the distributor and in turn to the public, was in a fair way to choke off domestic production. The situation was brought to the attention of Ottawa and steps were immediately taken to protect the Canadian producer against the unfair competition.

Cotton Trade Affected

About eighteen months ago the Japanese manufacturers of cotton piece goods turned their attention to the Canadian market. Large shipments of the lower cost grades of cotton fabrics and crêpes were made and distributed in the British Columbia area.

Shortly after the Japs further penetrated the Canadian market by shipping their goods into the prairie market. Quality of product was improved as the lower grades were quickly sold and Japanese imports began to appear as a serious threat to the established manufacturers.

The volume of goods dispatched to the Canadian market by the Japs had not assumed a large volume, but the inroads made in British Columbia and the prairies made it apparent to the authorities in Ottawa that immediate attention would have to be given to the matter in order to protect Canadian industry.

Impose Dumping Duty

Investigation showed conclusively that competition offered by the Japanese manufacturers to the Canadian producers was of such a character as to be not only unfair but unbeatable. Labor costs in

(Continued on page 2, col. 3)

Gasoline Sales Fail to Reach Level of 1932

Although there were many evidences last September that business generally was being conducted on a larger scale than in the same month of 1932, gasoline sales for the month failed to equal the record of September, 1932. For the first nine months of the year, gasoline sales were 2.5 per cent below the corresponding figure for 1932.

Trading in key commodities during the past week was dull, resulting in a general softness without much actual change in price levels. Many of the major commodity exchanges in the United States have decided to observe a holiday from December 23 to December 30. Wheat at Winnipeg still suffers from lack of any export demand and trading is at low ebb. Early closing of navigation has brought on the year-end quietness earlier than usual.

			Change From Prev. Period %	Change From Prev. Year %
		Oct., 1933		
Sugar mnuf.*, lbs.		112,533,399	+28.4	— 2.9
		Sept., 1933		
Gasoline sales, gal.		61,620,000	— 0.4	— 3.0
Weekly†				
Carloadings	No.	42,426	— 4.1	+ 0.4
D.B.S. Bus. Index	No.	853	+ 2.2	+19.8
Cattle sales	No.	11,997	—25.0	+ 3.3
Hog sales	No.	21,143	—19.6	—21.4

* Four weeks period ended November 4.
† Weeks ended December 2, 2, 7 and 7 respectively.

Dominion Bridge Income On Fair Scale in Past Year

Our Own Correspondent

MONTREAL. — Operations of Dominion Bridge Co. for the year ended October 31 last are said to have been fairly satisfactory, though insufficient to cover the dividend distribution of $2 a share on the capital stock. In the 1932 fiscal year earnings on the common stock totalled $1.49 a share, or 76 cents a share less than the dividend paid.

The volume of business available to the company in the past year was limited, though two contracts of fair size were handled. One covered the superstructure of a bridge over the St. Lawrence River near Montreal and the other the construction of the Second Narrows Bridge at Vancouver. The combined value of these contracts is about $1,800,000.

While the company did not earn its dividend in 1932, the management continued to make a distribution in 1933 though on a slightly smaller scale. This was possible owing to the strong liquid position of the treasury. At the end of October, 1932, Dom. Bridge had less than a million of current liabilities and over $8,000,000 in current assets. The latter included $1,261,000 in cash; $1,415,356 in guaranteed call loans and $3,859,835 of Government and other bonds.

In order to cover dividends paid in the last year the company will have to show a net profit of $1,027,902. In the 1932 fiscal year net profits, after setting up a depreciation reserve of $461,633, totalled $766,774.

CANADA FORD MAY PRODUCE 40,000 UNITS

V-8 Proves Popular So Radical Changes Avoided

EXPORT SALES BOOM

Ex-New York State Governor, Al. Smith has challenged ex-New York State Governor F. D. Roosevelt on the issue of "experience against experiment." Henry Ford, by merely "refining" his 1933 V-8 to make a new car for 1934 is throwing out the same sort of challenge to those other car manufacturers who promise rather revolutionary changes in their models for 1934.

For the coming year Ford intends to rely upon the increasing public approval of the V-8. His 1934 car has a few new features but it is basically the same car that gradually speeded up from a slow start to become as familiar a sight on the highways as was the old Model T in the day of its fame.

Expect Larger Sales

Ford Motor Company of Canada looks for increased sales of V-8's in 1934. That the car is proven, is not experimental, is regarded as an asset rather than the reverse. Moreover Ford beat the gun on other manufacturers on 1934 selling. Announcement of his 1934 programme reached the world on December 6. Twice before, Ford has been left at the post; this year he got away on his selling campaign before other manufacturers were ready to make their announcements. These two factors—proof of merit and timeliness of announcement—added to some modest improvements in the car and a general prospect of better trade generally are the foundations on which Ford's hopes for bigger business in 1934 are built.

Do Big Export Trade

Ford of Canada production for 1933 will total about 26,000 units or a little above 1932. For three years Ford production has been low and losses have been shown in the profit and loss statement.

In 1933, Ford of Canada would not have been able to keep up even to the 1932 level of 25,218 units had it not been for export business. For the first time in many years, Ford exports from Canada have exceeded domestic business and there is no sign of export demand diminishing. Rise of the British pound is the chief factor. The pound sterling is the unit of currency in most of the Canadian Ford's export markets. When the pound sterling dropped it was difficult to sell in Australia, New Zealand, India, South Africa, the Malay States and other parts of the British Empire. As the pound rose this difficulty disappeared. The Canadian Ford car has again come within the buying reach of Sterlingaria.

In addition, improved purchasing power in some British Empire countries, notably Australia, has improved demand for cars.

Few Sales in U. K.

No very large sales of V-8's are being made in the United Kingdom market. In 1932 the Canadian company made an arrangement under which it undertook to manufacture V-8's for the British Ford company and in return to distribute the British company's midget Fords in its territories outside of Canada. But the V-8 has a high horsepower rating and therefore takes a high license fee in Great Britain; sales under this contract are therefore not spectacular.

Ford of Canada will show a loss for 1933; may show a small profit in 1934. The company's "break-even" point is not clearly defined. It rises and falls with costs, selling price, rate of production, seasonal demand, etc. But it is rather well established that the company can make money if it can produce and sell 3,000 cars a month. As the company is expected to sell 40,000 units next year a profit is indicated.

Dividend to Challenge

Recent declaration of a $1 a share dividend on Ford of Canada stock took just under $1,600,000 cash. The dividend was a challenging gesture to public attention and an expression of complete confidence in the outlook, which implies at the same time confidence in Ford's ability to compete with the refined V-8

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"Blue Chip" Security Now Scrap of Paper

From Our Own Correspondent

MONTREAL.—Price Bros. common stock was a "blue chip" issue on the Montreal Stock Exchange less than 10 years ago. This week Rhoades, William & Co., of New York, advertised that they would offer 3,948 shares at public auction in Jersey City.

A block of Price Bros. stock of this size would have been regarded as an ample competence six years ago. It would have had a market value at the high of the year of $473,760. The holder would have received $7,896 in dividends per annum. Last year the company paid dividends on its preferred and common shares, as well as interest on its bonds. Today it is bankrupt. And a block of 3,948 shares of stock, which represented a small fortune in 1928, is not likely to fetch more than a few cents a share when put on the auction block.

OTTAWA LOANS TO 3 PROVINCES OF $2,100,000

New Loans to Prairie Provinces Make Total $42,723,769

VIEWS ON BONDS

From Our Own Correspondent

OTTAWA.—Loans totalling $2,100,000 have been made to the prairie provinces by the Bennett government in the past week.

This brings the total of loans to the western governments to $42,723,769. It is divided as follows:

Manitoba	$ 7,990,629
Saskatchewan	20,788,905
Alberta	8,082,000
British Columbia	5,862,235

Loans of one million dollars each have been granted to Saskatchewan and Alberta, while a loan of $100,000 has been made to Manitoba.

In approving these loans the Bennett government, after prolonged consideration, did not attach any conditions which involve budgetary supervision. It is probable that supervision will be insisted upon in the future, but in the present circumstances the final decision was against it.

The government, however, is believed to have attached very definite conditions concerning the use to which the loans may be put. The money is to be expended on unemployment relief, and will be used to defray the provincial and municipal shares. The provincial governments will be required to furnish satisfactory proof to Ottawa that this condition has been fulfilled.

Creditors' Viewpoint

Creditor opinion on the position of the funded debt of the western provinces, as contrasted with the unfunded debts mentioned above, now appears to be fairly clear. Seemingly the opinion of some large creditors is that either (1) improvement in prices for commodities, such as wheat, and in general business must come or (2) that interest rates on the western provincial debt burden must be reduced.

While agitation for refunding has been marked in the west, large bondholders appear reluctant to take any action for the time being. It is pointed out, first, that the coming intergovernmental conference scheduled for January at Ottawa may lead to clarification of issues. And, second, it is felt that business is now improving, and that it would be best to wait another nine to 12 months before doing anything drastic. The attitude is that the question of adjusting indebtedness of the western provinces has already been delayed so long that little harm can come from a few months further delay.

Creditors contend that some control of provincial finances should be exercised, if favors are to be granted. But it is also felt that improved conditions may allow the

(Continued on page 2, col. 4)

MILLION MEN BEHIND ACT ON MARKETING

Nation-wide Movement Seeks to Enact Control Legislation

SIX MAIN GROUPS

Fruit and Vegetable Growers Lead Way With Potatoes, Milk, Livestock, Wheat Involved

From Our Own Correspondent

OTTAWA. — With five major divisions of the agricultural industry deeply involved in the present drive for federal marketing legislation, the Bennett Government is rapidly discovering that rural demands for a "planned economy" are outstripping all other issues and that the handling and sale of farm produce will be the outstanding question to come before the next session of Parliament.

From small and inconspicuous beginnings, this farmers' drive for legislation has spread like wildfire. Already it has enlisted, on the evidence of the farmers, the support of three provincial Governments. In political power it outguns any class campaign that Ottawa has ever seen.

Million Farmers Affected

Right now the farmers who are either ardently supporting the drive or who will be vitally affected by any decision arrived at include: the potato growers, the milk producers, the fruit and vegetable growers, the livestock men and the wheat farmers. The proposals now being made at Ottawa, therefore, vitally affect the entire population and must directly concern at least 1,000,000 agriculturists.

The campaign for immediate federal legislation is developing so rapidly and with such complexity that it is difficult to forecast what the next three months will bring.

May Experiment First

Right now it is doubtful if the Bennett Government will introduce general legislation next session although if the principle is endorsed it is more than likely that marketing legislation for fruits and vegetables may be granted as an experiment. But in any event it is clear that federal legislation, of itself, would accomplish nothing. Such legislation would only enable each provincial legislature to bring the proposed system into operation within its own boundaries.

While all five divisions of the agricultural industry appear to be working harmoniously, there is reason to believe that beneath the surface discord is dangerously near. The reason for it is understandable if the record of the movement is followed.

History of Movement

Canadian marketing legislation along the lines of the British Marketing Acts of 1931 and 1933 was first suggested by the fruit and vegetable growers of Canada. Now that the drive has assumed large proportions a more complete picture of the British policy is desirable.

The British acts declare that any body of producers in the United Kingdom that desires a regulatory scheme may submit a proposal to the Government. This proposal is promptly published and criticisms are invited. Finally the producers in the particular phase of agriculture affected are registered and the proposal is submitted to a vote. If the proposal is approved by two thirds of the producers as well as by the producers of two thirds the total annual production, it is brought into force. This occurs not less than thirty days following the vote.

Boards are Powerful

The Government is consultation with the producers then constitutes a board and the statutes provide that no producer may sell to any other agency than this board. These boards have power to fix the

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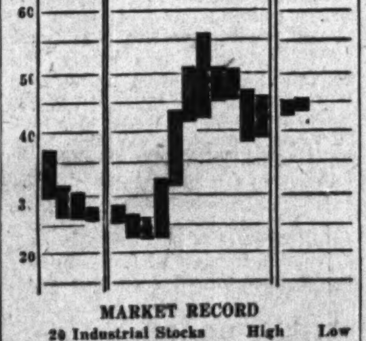
Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

20 Industrial Stocks	High	Low
Week of Dec. 12	45.8	43.7
Week of Dec. 5	44.9	43.1
Month of Dec., 1932	28.3	25.5
10 Public Utilities		
Week of Dec. 12	48	45
Week of Dec. 5	48	45
Month of Dec., 1932	46	43
8 Bank Stocks		
Week of Dec. 12	163	158
Week of Dec. 5	164	160
Month of Dec., 1932	166	159

A More Sensible Policy

—Drawn for The Financial Post by Cecil Thomson.

Ottawa is expected to modify its virtual ban on immigration to encourage community settlement of immigrants from the British Isles who will be financed either by themselves or by the British Government.

DUMP ORDER HITS MAKERS OF NEWSPRINT

U. S. Bars Canadian Product Unless Sold at Code Price

From Our Own Correspondent

MONTREAL. — Canada's $100,000,000 market for newsprint in the United States got a rude shock this week when United States officials issued a dumping order against the Canadian product and ordered that all shipments now en route at the border be held pending investigation of infractions of the N.R.A. code by Canadian manufacturers.

It is understood that the United States government will demand a bond from Canadian manufacturers amounting to the full value of all shipments and that this bond will be retained until U. S. officials are convinced that the Canadian product is not being dumped across the border at less than the code price of $40 a ton delivered in the New York zone. Those guilty of dumping will be required to pay an import tax equivalent to the difference between sale and code price.

Canadian manufacturers who are acting within the provisions of this code need have no reason to fear this new order, it is understood, as there is no intent to hinder imports other than to assure American producers who operate within the U.S. newsprint code that they are being protected. Canadian prices for newsprint have dropped as low as $30 a ton on an equivalent basis to the $40 designated as the basic code price.

Reorganization May Be Needed For Dairy Corp.

Holders of the 6 per cent debentures of the Dairy Corp. of Canada are being advised through the mails by the president, J. A. Caulder, that the company will be unable to meet payments due on January 1, 1934. On February 10, 1933, debenture holders agreed to postponement of interest due January 1 and July 1, 1933, to January 1, 1934, and the cancelling of the sinking fund for five years, but the president thinks that a further extension would serve no useful purpose as there is no near prospect of the company being able to liquidate back payments and meet its full obligation to debenture holders. It is therefore likely that, shortly after the New Year, debenture holders will be asked to give consideration to a plan for reorganization of the capital structure.

Subsidiary Bank Loans Paid

The current position of the company improved during 1933 due to capital expenditures being kept to a minimum and expenses being materially reduced. Taxes were much higher, however, and discount on milk sold to relief boards would amount to large figures. The volume of business was well retained but the margin of profit was materially reduced everywhere.

Dairy Corp. is a holding company and has no trade liabilities. All subsidiary companies, Mr. Caulder states, will close the year without bank loans, which is marked improvement over the situation at the end of 1931 and 1932.

New Westminster Relief Down

During the period Aug. 1 to Nov. 30 this year New Westminster's relief costs amounted to $45,580 compared with $55,234 for the same period last year. In November this year, $11,893 was expended on direct relief compared with $14,279 in November, 1932.

Highlights of the week

Responsibility

How M. C. Harman, British financier, was convicted. The British viewpoint of the responsibility of directors in corporation amalgamations. Page 9. Why big business should be frank with the public. Need for business education sketched by W. P. Tuttle. Page 6.

Cheap Money

Milk and honey of cheap money make London the "promised land" of Canadian borrowers. Arguments and chances for beginning the trek to the British money market. Page 3.

Securities Acts

Although its ink is still moist, the American Securities Act may be modified. Dr. Gaines T. Cartinhour of New York University tells why it is too strict. Page 13. In Canada our company laws are too lax, says W. T. Ferguson of the University of Toronto staff. Page 14.

Selling British

South Africa has a systematized method of marketing its wares in the British market. What Canada may learn from another Dominion. Page 13.

Central Bank

Who will be its first governor? Names associated with the Bank of England are mentioned. Page 15. Will the chartered banks really lose money, if the note issue privilege is withdrawn? It all seems to depend. Page 15.

Santa Claus

A long white beard isn't essential to get inspiration for the Christmas shopping tour. A six page guide for gift-buyers solves the problem. Pages 18 to 23.

Bank Leader

Jackson Dodds' record in the fields of sports, war and banking. The new president of the Canadian Bankers' Association takes the reins at a critical time. Page 10.

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WHEAT BOARD NOW UNLIKELY OTTAWA HEARS

But Government's Wheat Holdings Will Be Shifted

COMMISSION TO HOLD

Cabinet Apparently Unconvinced About Marketing Board — Much Politics Involved

From Our Own Correspondent

OTTAWA.—Public endorsation of a wheat board by directors of western pools and a statement by representatives of the Winnipeg Grain Exchange, pledging the grain trade to co-operate with the Dominion Government in implementing the Wheat Agreement—these were the outstanding events of the week with regard to the wheat policy now being formulated at Ottawa.

But more important was the news that was not public as this was written—namely that the cabinet had decided definitely against a national wheat board to exercise dictatorial power over export trade; and that the cabinet had likewise decided to set up a commission to divorce government wheat operations from the pools, under whose direction the stabilization wheat holdings of the government are nominally held.

The problem facing the Government is to carry out the Wheat Agreement. This involves the restriction of exports this crop year to 200,000,000 bushels and in the following crop year to 85 per cent of the average exports in the period 1931 to 1933.

No Problem This Year

So far as the current crop year goes, there is no need for legislation. Exports (which are little short of export contracts) up to the close of navigation will not greatly exceed 75,000,000 bushels and large volume shipments will not be resumed until next spring. In all likelihood the ordinary trade movement will not endanger the 200,000,000 bushel quota. If it does, the Government can place the exports under control of the Board of Grain Commissioners from which the trade could easily be compelled to obtain licenses.

The quota which the agreement will fix on Canada in 1934-35 cannot be worked out until the exports this year are complete, but it is this phase of the Agreement that is causing worry at Ottawa, and the new wheat policy now being worked out is to enforce the terms of the Agreement in 1934-35 and after. The new crop will go into the ground four months hence, and an early decision is essential if seeding policies are to be effected.

Three Alternatives

The three alternative policies mentioned in The Post last week are still being studied but the views of the Ministry with regard thereto have become clearer.

First, the Government may rely upon grasshoppers and cutworms to curtail production in 1934 (this was the original intention) and avoid all interference either with acreage or exports.

Second, the Government may set up an export licensing system to be administered either by the Grain Commission or by a new commission to be appointed to take over the operations of John I. McFarland.

Third, the Government may create a National Wheat Board and take over the domestic marketing and export sale of wheat.

Pool States Position

With these alternatives in mind, it is clear that the wheat pools have emphatically endorsed the third. In a public statement a few days ago, the central board of the pools enthusiastically supported the Wheat Agreement and suggested a policy of enforcement as follows:

1. A National Wheat Board.
2. Control of production by allotting (through the Wheat Board) each farmer a maximum wheat out-turn. Over the allotment the Board would not buy and there would be no other agency to which the farmer could sell.
3. Establishment of a high price for wheat consumed in Canada—the proceeds to go into the common pot of crop receipts and to be spread over all farmers on a bushelage basis.

Prairie Statement Coming

The three Prairie Governments conferred on the agreement at Calgary on November 29. It is believed the conference approved a policy of acreage reduction and of a National Wheat Board. The Prairie Governments will present their recommendations to Ottawa before Christmas.

Finally, the Grain Exchange delegation met Mr. Bennett last week and following a long discussion a statement was issued. The delegates were: H. E. Sellers, president, and Sidney T. Smith and R. T. Evans, members of the Council of the Exchange. The purpose of the visit was to ask Mr. Bennett what steps would be taken to carry out the Agreement. Mr. Bennett, it is understood, replied that these steps appeared likely to involve provincial jurisdiction and that the views of the Prairie Governments must be known to him before a final decision would be reached.

The statement of the grain trade delegates contained this surprising declaration:

"The members of the grain trade, however, assured the Prime Minis-

(Continued on page 2, col. 4)

EXCHANGE MERGER IS CONSUMMATED BY STANDARD VOTE

Enlarged Toronto Stock Exchange to Function Early in 1934

Union of Standard Stock & Mining Exchange and The Toronto Stock Exchange is now a completed fact. The last step was taken on December 12 when members of the Standard Stock & Mining Exchange unanimously ratified the terms of the merger as outlined in the joint agreement drawn up by sub-committee of the two exchanges.

As pointed out in the last issue of The Financial Post, this ratification was certain to follow the decision a week earlier to apply for supplementary letters patent to give the Standard Exchange the right to distribute its assets. The Toronto Stock Exchange already had this power and so ratified the agreement a week before the Standard members.

This union of two of the largest stock exchanges in the Dominion brings to a consummation negotiations which have been proceeding for many months. N. C. Urquhart, a former president, presided at the meeting on December 12, due to the illness of the president, G. W. Nicholson, and these two, along with Fred C. Crawford and Hon. Manning Doherty were elected as Standard representatives on the Toronto Stock Exchange management committee until the next annual meeting in June, 1935. The other members will be Hal Franks, president of the present Toronto Stock Exchange, H. B. Housser, F. G. Lawson and E. Gordon Wills. This management committee will have power to add to its numbers in the form of sub-committees for specialized development.

The new exchange will function as a single body early in the new year. The Toronto Stock Exchange will then definitely be the largest Stock Exchange in the Western Hemisphere outside of New York City.

CANADA FORD MAY PRODUCE 40,000 UNITS

(Continued from page 1)

against any car likely to come on the market. The company did not weaken itself financially to pay this dividend even if it was not earned. As a matter of fact it "found" more than enough to pay the dividend in the happy change in its fortunes in Australia.

It is well known that Ford of Canada had some $6,000,000 tied up in Australia that it was unable to bring the money back to Canada first because of an embargo on the purchase of foreign exchange; second because of the low level of the Australian pound. Within the year, though, the Australian pound has risen from below $3 to over $4 with a substantial increase in the Canadian value of Ford's Australian cash. When the company transferred some $6,000,000 from the Antipodes recently it got in Canadian money just $2,000,000 more than the sum was worth just a year ago. Thus on the "profit" on this account there was enough to pay the dividend and leave something additional to help meet current year's deficits.

Retains Shareholders

The announcement of the company that over 16,000 Canadian shareholders participated in the dividend indicated that the 1929 experiment of offering 100,000 shares of stock at $30 a share in order to get wide distribution in Canada was a success. Thousands of people subscribed for stock at that time. The number of Canadian shareholders was increased from a fairly small total to some 23,000. The crisis has forced many small shareholders to part with their stock but officials are gratified that more than 16,000 Canadians still retain some ownership interest in the company. The transfer books show thousands of pages where no entries have been made since the original subscription was listed. Those who bought stock in April 1929 at $30 a share have since received $3.70 in dividends.

Pre-view of New Car

The Canadian company participated in the recent pre-view of the new 1934 V-8 at Dearborn, Michigan, last week when newspaper editors from widely scattered points were invited to see the new car in action. This was the first Ford venture in pre-viewing on such an ambitious scale and is taken as an indication that Ford is going to put more fight into his competition with the other two cars in his price range. At the pre-view Henry Ford himself displayed the new car as proudly as a father with a new baby; he cracked jokes about some of the new ideas in his competitors' models and expressed complete confidence in the early sales outlook. The editors were invited to put the cars through a variety of gruelling tests over ploughed fields, muddy roads, tilted ramps, etc. Not having a hill on his Dearborn property steep enough to test acceleration on grades Ford had one built for the occasion, a wooden ramp being laid over the administration building of the Ford airport.

New Features Incorporated

Features of the new 1934 V-8 are:

A new dual carburetor and dual intake manifold to give improved performance, greater acceleration and to reduce gasoline consumption.

An ingenious ventilating device for windows.

Deeper cushions and softer springs for the seats.

Newly designed spring leaves.

A new steering gear ratio of 15 to 1.

Water line thermostat to lessen cold weather warming-up time.

Tungsten chrome alloy exhaust valves.

And a slightly different radiator shell and grille.

Prices are a little higher than in 1933.

Gasoline Sales in September

Gasoline sales in Canada during September totalled 61,620,000 gallons as compared with 61,854,000 gallons in August and 63,441,000 gallons in September, 1932.

The Nation's Business

(Continued from page One)

tend to make it difficult at the moment.

* * *

IT MAY be that at a later date President Roosevelt will help to clear the way for a treaty between the two countries. But at the moment Canada has to wait upon his pleasure. And it apparently is not his pleasure to speed things up.

Too much significance should not be attached to the fact that the United States has generously left Canada out of the liquor quota and opened the door for huge exports of whisky from this country during the next few months. It was not in any friendly desire to repay Canada for past favors or to pave the way for a reciprocity treaty that the United States left the door open for the legal importation of Canadian rye and Bourbon whisky. It was simply that there was a real shortage of well matured stocks in the United States and Canada was the only country able to supply in any large quantity the whisky that best suits the American taste. Canada has benefitted in this case from American necessity rather than from American generosity.

* * *

Cart Before Horse on Farm Marketing

OTTAWA is the scene of another great agricultural drive. Various groups of farm producers are seeking the establishment of national boards to control production and sale of agricultural products. Various adaptations of the British system of farm control boards are offered to the government without adequate allowance for the fact that Great Britain is primarily a food importing country while Canada is primarily a food exporting country.

The various schemes have as their objective the control of the total quantity of production and some control over selling price. Some of them aim definitely to put us on a domestic basis and end all exporting.

* * *

THE key to the problem of larger farm markets for Canada lies in improving the quality of farm products produced for both domestic and export trade and in proper grading, packing, and merchandising.

Schemes designed to lift the farmers by their boot straps and to avoid the necessity of improving the quality of the goods offered for sale are so much foolishness.

The successes in farm marketing schemes have been among those plans that brought farmers together, with or without governmental blessing, to promote better quality and better merchandising.

The failures have been in the fields where governmental power or financial assistance was invoked to set up a dictatorship whose purpose was to control production and raise prices without regard for quality of product, methods of merchandising or the needs of consumers.

* * *

No Wheat Board Is Right Decision

TWO unofficial items of news from Ottawa may be regarded as constructive. The first is to the effect that the insistent propaganda for a National Wheat Board has failed to impress the cabinet and that there will be no dictatorial body of this character established to control the production and sale of Canadian wheat.

Ever since the inglorious failure of the western pools the same political groups who backed them have been trying to get a national wheat dictatorship. The purpose has been to plunge the State more deeply into business and set up a vast political machine for the prairie provinces which a few men could control.

The scheme is presented under the cover of the current vogue for economic planning.

Government schemes of production and marketing control have fallen by the wayside by scores since the war. But each failure seems only to generate demands for more State control and price-fixing schemes.

Canada has a future in wheat only in a world where quality and competitive cost of production count for something. We can not bludgeon our way into world markets by monopolistic methods such as the wheat pools tried with such dire consequences.

Canada signed the International Wheat Agreement; in fact, Mr. Bennett may modestly enough claim that the Wheat Agreement would never have come into being excepting for his insistence upon it. The agreement is not in Canada's best interests. It gives us the choice either of greatly reducing our activities in the business of wheat-growing, for which we are eminently well fitted, or of using increasing totals of governmental credit to carry ever-growing stocks of wheat, which we will not be permitted to market.

* * *

TO ADD to this mistake the greater one of a quasi-State wheat monopoly would be fatal. The braggart wheat marketing policies of Canada and the United States in the pre-crisis days were factors in stimulating the self-sufficiency policies of Europe. A National Wheat Board in Canada—which would naturally be followed by similar boards in other wheat exporting countries—would be taken by importing countries as an indication that their policies of self-protection are right; it would encourage them to grow more and more wheat and to depend less and less upon Canada and other overseas countries.

THERE is a grave danger from the domestic angle in such government control over wheat sale. From governmental dictatorship over marketing would be a short step to governmental attempts to fix the price. No sooner would the Board be functioning than the demand would arise from western politicians for a fixed minimum price to be paid the farmer. Then federal insolvency would be just around the corner.

If, as The Post reports unofficially this week, the cabinet has decided to resist the campaign for a wheat board then Ottawa is showing wisdom.

* * *

THE second unofficial piece of news is that the government has decided to set up a commission to manage the huge holdings of wheat it has acquired in the process of stabilizing operations in the wheat market. Up to now the fiction has been maintained that these operations were purely and simply operations of the western wheat pools. Every one knows that John I. McFarland, general manager of the Central Selling Agency of the pools, has been taking his orders from Prime Minister Bennett and has been operating on the credit of the Dominion government. But it has been obvious that under such an arrangement the losses were to be charged to the government while the profits if any were to go to the pools.

The whole thing should be directly under the government which should assume the financial risks and benefit from any improvement that takes place in the value of the holdings.

* * *

Huge Losses Certain In Federal Farm Loans

THE second annual report of the Canadian Farm Loan Board indicates that this board is following the well-beaten path of other government business enterprises. The profit and loss account shows interest earned on mortgages at $551,227 but of this total only $353,981 was actually received. Under the terms of the Farm Loan Act it might have been expected that interest on the original capital of $5,000,000 put up by the government would have started to accrue in August, 1932, since the $5,000,000 was added to the public debt in 1929 and taxpayers have been paying interest on it ever since. The board was to have it interest-free for three years. The board, however, was relieved from interest to the amount of $219,082. Had the board shown as income only the interest received, and had it paid interest on government advances, the report would show a deficit of $117,000 rather than a profit of $298,845. And this before setting up any reserves for possible losses.

The practice is firmly established of piling up paper profits, of continuing to present a front of success by dipping more and more deeply into the treasury. Sooner or later the government will do its part, as with the Soldier Settlement Board, by writing off millions of losses long after they have actually occurred. The grief that is being piled up for the taxpayer is revealed in a table of the report showing arrears of principal and interest. On a total of loans of $9,420,324 made since 1929 there is $158,411 of principal in arrears and $309,526 of interest in arrears.

The Farm Loan Board was appointed by a Liberal Government and was acclaimed by the Progressive Party. The Conservative ministry inherited the board as a going concern but is proving to be an extremely indulgent foster parent.

Footnotes to Ottawa

An Occasional Department of Comment on the Background of Governmental Activities in the Nation's Capital

From Our Own Correspondent

Reciprocity Shelved

THE U. S.-Canada reciprocity negotiations, which have been quiescent since last April, will receive attention at the hands of the House of Commons when William (Admiral) Duff, Liberal member for Antigonish, moves his annual resolution. Mr. Duff took the government by surprise last year when he brought forward a resolution urging the immediate negotiation of a pact with the United States. It so happened that diplomatic conversations already were under way and Mr. Bennett went to Washington in April. Since then, it is understood, progress has been very slight. Mr. Roosevelt has been so busy making his New Deal and Mr. Bennett has been so driven by world conferences, wheat agreements and purely domestic affairs that the matter has been almost dropped, at least temporarily.

* * *

Cattle Men Alarmed

CATTLE exporters are becoming alarmed at the prospect of slaughter price competition from United States livestock men in the British market. The general belief that the Anglo-Canadian treaty gave the Canadian farmers a strangle hold on American cattle exports to Britain, has been rudely shaken by the announcement that negotiations are under way to move 200 cattle from the United States to Birkenhead weekly during the winter season. The price quotations are said to be very low and British buyers are believed attracted despite the fact that, unlike Canadian cattle, the United States shipments will have to be slaughtered immediately after landing. Another unpleasant complication is that several ships which were fitted for cattle at the expense, whole or part, of the Canadian government, may be moved south into the United States trade. It is believed that urgent representations are being made at London by Hon. H. H. Stevens, minister of trade and commerce, who is over there on a holiday.

* * *

Matthews in Politics

FOR the first time in recent years, one family has risen to prominence in both major political parties. Hon. R. C. Matthews, newly installed minister of national revenue in the Bennett government, is a moderate but sincere Conservative and has been a power in that party for many years. His brother, Albert Matthews, is equally staunch in his Liberal beliefs and only a few days ago took the chairmanship of the finance committee of the National Liberal Federation. He would be a distinct possibility for the cabinet should Mackenzie King be re-elected.

* * *

Scout U. S. Tariff Yarn

REPORTS that a committee is at work at Washington preparing a report with respect to the adoption by Congress of a three-decker tariff, are not taken seriously at Ottawa. The United States now has but a single tariff, with a few exceptions, and the proposal is to change this into three tariffs. The lower duties would be for bargaining purposes. The understanding at Ottawa is that the committee is of the academic variety and in due course may achieve a report, which will promptly be pigeon-holed.

* * *

Unlucky 13

WITH the death of Senator John Henry Fisher, of Paris, Ont., there are 13 vacancies in the Upper House. Considering that there are only 96 members, this is a large proportion. In fact it is a record. Members of the government say that there is no lack of applicants but it is thought likely that quite a few of the seats will remain vacant until the present Parliament is dissolved. The government still has a comfortable majority in the Senate, so the filling of the vacancies is not regarded as urgent.

JAPAN'S MOVE ENTER CANADA MART HALTED

(Continued from page 1)

Japan could not even be compared with those in Canada, where a higher standard of living is maintained. At the same time the heavy depreciation in the value of the yen placed the Japanese exporters in a particularly advantageous position to compete for export trade.

In order to protect the Canadian market for Canadian industry, the Federal Government put in force a substantial dumping duty which has been the means of effectively blocking the Japanese cotton manufacturers' entrance into this market. A small amount of Japanese cotton goods is still coming into the country but the volume is negligible and insufficient to disturb the domestic market.

Other Industries Concerned

Japanese manufacturers also have endeavored to secure a foothold in the Canadian market with other products. Manufacturers of rubber shoes have practically lost the West Indian market to the Japs and, at one time, were threatened in their own domestic market. As in the case of cotton goods Ottawa took prompt action in placing a dumping duty on Jap imports of rubber goods so that the Canadian industry has received a fair measure of protection.

The establishment of a market for other products in Canada has been attempted by the Japs, but prompt action by the federal authorities has kept matters in hand, unlike in other countries where the Japanese competition has displaced other exporting countries and seriously hampered domestic production.

OTTAWA LOANS TO 3 PROVINCES OF $2,100,000

(Continued from page 1)

west to carry on without debt adjustment, and that in such event it would be best for the provinces to carry the burden and bear the responsibility.

Western provincial bonds have been decidedly weaker since the refunding agitation started. Dealers say the refunding talk is responsible for the soft market. This, however, may not be justified, even if refunding were to develop. In New Zealand, for instance, where a coercive conversion was carried out, the new four per cent loans are selling at better prices than were the five per cent issues prior to the refunding.

Opinion seems to be that the newly granted loans of $2,100,000 should see the prairies over much of their trouble this winter, although Saskatchewan may need more assistance. Experience of the provinces in budgeting is indicated to have been less favorable than anticipated. Both Alberta and Saskatchewan are understood to be obtaining considerably lower revenues than were anticipated in their budgets. This could only be expected, of course, in view of the comparatively poor wheat crop this year.

WHEAT BOARD NOW UNLIKELY OTTAWA HEARS

(Continued from page 1)

ter that inasmuch as present world economic conditions, made in the judgment of the Dominion government and of the governments of the provinces most concerned in the wheat marketing problem an agreement designed to relieve the wheat price situation from the depressing effect of an abnormal world carry-over, that the grain trade were prepared to support the proposal and cooperate with the appropriate authorities in implementing Canada's undertakings under the agreement in the hope that we may as soon as possible revert to a normal wheat production and marketing situation which will give to the growers of western Canada an adequate return for their products.

"These are days when theories that normally govern our economic views must be modified in face of inescapable world facts."

Reason For Stand

Considering that a National Wheat Board may be involved and that such a board would mean the closing of the Winnipeg market and the suppression of the trade (save for operation of elevators) this statement caused much surprise.

Unofficially, but reliably, it is learned that this statement was approved after the delegates had reached the conclusion that the Bennett Government would adopt a wheat board only as a last resort. This week it became known on Parliament Hill that the spirited lobby put on at Ottawa in recent weeks by the pools has failed to carry the cabinet and that the propaganda has failed to rally popular support.

The preference of the Government at the moment is for one of the other two alternatives. If an export license system is adopted, there would be a choice between the Grain Commission and the proposed commission to take over the McFarland operations as the enforcing body. That there will be a commission to carry on the Government's wheat operations is reasonably certain. Mr. McFarland will be the chairman, and E. B. Ramsay, now head of the grain commission, is a favorite for second in command if his health will permit him to accept.

Deep Political Waters

It is now apparent that the wheat control policy adopted somewhat unwillingly by Mr. Bennett last spring, at the earnest solicitation of the three Prairie Governments, has engulfed the Dominion Government and one of the chief industries of Canada in the deepest of political waters. Mr. Bennett accepted the task of projecting wheat control into the world conference but did so chiefly as the representative of the Prairie provinces.

The agreement which is the result has pledged this country to restrict exports and this in turn may involve acreage control which in its turn may mean state control under a wheat board.

Three Viewpoints

Subsequent developments at Ottawa have been shot through and through with politics. The all-but-defunct pools see in the agreement a prospect of glorious revival and a complete and crushing victory over the grain trade. The Prairie provinces see a vision of a wheat board and a release from all political responsibility to the wheat farmers. The grain trade see in it a possible menace to their commercial existence.

In the main, all known facts indicate that all parties are approaching the agreement in the sincere belief that it may work for the general welfare of the country. But no document in recent years has been more heavily freighted with economic and political possibilities.

MILLION MEN BEHIND ACT ON MARKETING

(Continued from page 1)

quantity of produce which will be accepted from each producer—in this way controlling individual production. Upon the request of the boards the Government is pledged to control imports, although not necessarily to the extent desired by the producers.

Two national committees complete the picture. One is a consumers committee whose duty is to consider and report upon the effect upon the general public. The other is an investigatory committee whose job it is to follow up complaints.

Complete Control Sought

The Canadian fruit and vegetable growers see in the British policy an opportunity to obtain complete control of the marketing of their produce. They began, many months ago, to plan a drive for federal and provincial legislation. It was recognized, of course, that complete control over the growing, sale and marketing could not be obtained either from the provinces or the Dominion. The growing and original sale (within a province) would fall under provincial jurisdiction. But all interprovincial and external trade comes under federal jurisdiction.

Their plans were well advanced when other branches of the industry got wind of the scheme and the fruit and vegetable growers forthwith began to suffer from accessions of strength. The potato growers, the milk, livestock and wheat farmers (or organizations representing a part of them) descended upon the fruit and vegetable growers. They desired to make common cause and to obtain similar legislative enactments covering their products.

Have Provincial Support

The fruit and vegetable growers had already made rapid progress. It is learned authoritatively this week that they have received the endorsation of the governments of British Columbia, Nova Scotia and New Brunswick. They are expecting the early endorsation of the Prince Edward Island government. They lack only the support of the governments of Quebec and Ontario as there are only six producing provinces.

It is believed the Quebec Government has declined to support or oppose the growers at this time. Mr. Taschereau, apparently, will wait and see. It is not clear that the Ontario Government has been approached and there is no definite information as to what the attitude of Mr. Henry and his associates will be. But right now, the fruit and vegetable growers have three provinces behind them and can claim that with a federal enactment next session, their marketing proposals will go into effect over an important area of the fruit and vegetable industry at once.

Reason For Discord

The other sections of the agricultural industry that have, more or less, encumbered the fruit and vegetable men with their assistance, have not yet made any serious attempt either to rally provincial support or to work out their proposals in a clear cut way.

Hence the underlying discord. The fruit and vegetable men regard the allies they have acquired involuntarily as a distinct weakness. The well-thought-out scheme of the fruit and vegetable men is likely to be swamped in the vast sea of agricultural production that now is demanding statutory relief. The Government is likely to bulk all of the demands together and may stand the problem over until 1935.

U. K. Scheme Needs Altering

It is obvious that the British scheme cannot be transplanted to Canada without alterations. The fruit and vegetable growers have made alterations which they believe meet all requirements. Instead of a single marketing board they would have many boards. Instead of attempting one vote from an entire class of growers, they would divide the provinces into regions and have regional votes. They claim that their growers are so well organized that a vote in a particular district could easily be held.

But while fruit and vegetable growing in a commercial sense is confined to a half dozen areas and while the growers have been acting as a unit so long that they are well organized, this does not apply to the other branches of agriculture concerned. Potato growers are not organized, nor are the milk producers, the livestock and the wheat farmers.

Confident of Success

For the reason that the general proposal would call for boards in each division of the industry, the fruit and vegetable growers are confident they may persuade the Government to enact marketing legislation for them. This would be an experiment and the Government could deal with the other requests later on, in the light of the success or failure of the fruit and vegetable act.

At the moment, the delegation appointed at the Toronto conference is hard at work at Ottawa. Hon. Robert Weir, minister of agriculture, has been asked to frame a marketing bill, along the lines of the British statutes. So far he has not done so and it seems doubtful if he will. The fruit and vegetable growers have framed a bill covering their industry and have submitted it to the Government.

The text is not available for publication and it is believed the Government has not yet expressed any opinion on it.

This is the position at the moment.

Need Federal Statute

The present drive, if successful, would bring a federal enabling statute next session. The moment provincial legislation was enacted it would be open to the producers in each province to petition for boards. Presumably there would be boards in each small district. Above these district boards would be regional boards and above them provincial boards. At the top would be Dominion boards. Presumably there would be distinct organizations of boards for each branch of the industry.

These boards would be the only agencies through which producers could sell their produce. The boards would hold a monopoly both of the domestic and export trade.

The objective of the growers is two-fold. In some instances, as with milk and meats, the producers feel that they are being robbed by the middlemen. In others, the problem is to banish the export surplus from the domestic market, and thus enable a comparatively high price to be fixed in Canada regardless of world prices.

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OTTAWA BALKS AT FINANCING SETTLEMENT

Will Admit Settlers But Will Not Assist With Cash

From Our Own Correspondent

OTTAWA.—While the Federal Government is interested in current proposals for the revival of British immigration on a small and highly selective scale, it is learned definitely that assisted settlement schemes will not be considered. If the British Government decides to put up the funds to establish British farmers in Canada, there will be no objection from Ottawa. This is the heart of the so-called Hornby scheme, hence the favorable attitude of the Bennett Government toward it. But any propositions which oblige votes of money from the Canadian treasury will not even be considered.

Unemployed Sticking

The reason for this attitude is found in the fact that over a period of 14 years the Dominion has lost close to $80,000,000 in land settlement ventures. The Federal Government, in fact, has learned a bitter lesson with respect to subsidized colonization and further experiments are not on the cards. A notable exception to this, however, is the unemployed land settlement work of the past two years. With a combined investment in each of these families of some $600 (put up by the Dominion, the provinces and the municipalities) it has been found that a very large percentage of them are sticking to their holdings and making good. The capital outlay is not regarded as a loss because it represents the sum that would have been spent on direct relief had they stayed in the cities.

Collapse of Two Plans

The financial collapse of the Soldier Settlement Scheme is common knowledge. But the even more disastrous record of the 3,000 British family scheme has never been disclosed.

In the Soldier Settlement Scheme, the Dominion invested $112,000,000 with the object of establishing 31,000 returned soldiers on the land. Subsequent years have brought a succession of "write offs," losses of all descriptions, until the grand total now reaches the staggering total of approximately $62,000,,000. Some 12,000 of the soldiers have abandoned their properties, thus presenting the Federal Government with a difficult real estate problem to solve.

These farms, which were coming back to the Settlement Board were a factor in persuading the Mackenzie King government in 1924 to embark on the 3,000 family scheme. And in a long record of failures in government-aided land settlement, the 3,000 family scheme is unique.

3,000 Family Scheme

There have been no reports issued at Ottawa dealing with this scheme *since 1932*. This report covers operations up to December 31, 1931. The scheme called for the settlement of 3,000 British families on Dominion owned farms. The British Government advanced £300 per family: Ottawa provided the land and arranged for supervision and for collections. The loans were to be repaid at 5 per cent interest over 25 years. The two governments agreed to share losses in proportion to the gross investment. The settlement was to be made over a period of years, terminating in 1929. All told 3,346 families came forward. Of these, 170 withdrew before receiving loans and 1,075 withdrew after receiving loans. The failures in the first seven years, therefore, numbered 1,245 out of 3,346. While no facts have been made public, it is believed that the failures have grown in number in the last two years. If 1,245 families abandoned the scheme in relatively good times, it is obvious that many more have become casualties in the subsequent years. On December 31, 1931, the capital investment stood at $14,603,699.91, which works out at the staggering total of more than $7,000 per family then on the land. Of the total investment, the Canadian Government had only about $10,400,000 and the British Government the balance.

Many Total Casualties

The payments due in 1931 totalled $762,374.44 and the collections were $109,464.21, or 14.4 per cent; of 2,157 settlers with payments due, only 150 met their obligations in full and 810 in part. Some 1,200 settlers, or more than half of the total paid nothing. It may be hazarded that many of these 1,200 are now total casualties and that the greater part of the capital invested in them, some $8,400,000, will have to be written off.

As a desperate measure, designed to salvage some part of the British and Canadian investment in this scheme, a 30 per cent cut in debt is being granted and for the three years 1933-35 inclusive, the creditor governments will credit settlers with double the amount of all payments received. It would appear that out of an original investment of some $16,000,000 at least $12,000,000 will be lost.

Value of Brass Products Was 40 p.c. Lower in 1932

Production from the brass and copper industry in Canada was valued at $9,594,115 in 1932 as compared with an output worth $16,052,756 in the previous year, a drop of 40 per cent. Among the main products of the industry were railway car fittings, plumbers' supplies, brass and bronze wire cloth, brass and iron valves, gas and water meters, architectural work, and plates, sheets, bars, rods, castings, tubing, wire, etc., of non-ferrous metals. Of the 119 plants 79 were located in Ontario, 24 in Quebec, seven in British Columbia, six in Manitoba, and one in each of Nova Scotia, New Brunswick and Alberta.

Imports of brass and its products in 1932 were valued at $2,206,468 of which $1,870,794 came from the United States and $362,995 from the United Kingdom. Imports of copper and its products were appraised at $777,268 of which $634,177 came from the United States and $133,646 from the United Kingdom.

Heavy Cattle Shipments

Cattle shipments through the Port of Saint John this winter will be the heaviest in years, local shippers anticipate.

Would Open British Market To Long-term Outside Loans

Sentiment in London Growing in Favor of Easing Treasury Embargo — J. H. Schroder & Co. Suggests London Lend to Empire

Flowing with the milk and honey of cheap money, the London investment market is the "promised land" of potential long-term borrowers in Canada. The possibility of borrowing some of this British money still appears remote. But some well-informed opinion in London is now agitating for a more liberal attitude toward outside borrowers on the part of the British treasury.

Governments of Canada, Dominion, provincial and municipal, eye London money rates with envy. The Dominion was allowed to borrow £15,000,000 at four per cent in London last summer, and because of the immediate success of this loan has laid a solid foundation for further Canadian financing in the British market.

Judging from recent Australian and South African loans in London, it is possible that Canada could now borrow for 3¾ per cent in London. Provinces might be able to get money for as little as four per cent. Canadian municipalities might also be able to improve their borrowing rates by using the London market. And not the least of the effects of such borrowing would probably be improvement in prices for bonds in Canada, such as was experienced last summer when the threat of heavy Dominion borrowing was lightened by the British loan to Mr. Bennett's Government.

Difference in Rates

As an instance of the difference in money rates in Canada and London, the province of Nova Scotia recently borrowed $2,000,000 at 4.84 per cent in Canada. And the bonds have been slow sellers because of the decline in our markets. Probably the province might not be able to get money in Canada for much less than five per cent. And Nova Scotia 3½ per cent bonds have been selling steadily in London to yield less than four per cent. City of Ottawa bonds have also been selling in London to yield less than four per cent, while Montreal and Toronto obligations have been only slightly above the four per cent mark. It apears, therefore, that a number of Canadian borrowers might be able to raise four per cent money in London.

The British treasury, of course, has been keeping the London market closed to new borrowings from outside. This has been done for two reasons: to support the pound sterling, and to keep interest rates low in London for the benefit of trade for Government financing.

Nevertheless loans have already been granted to Canada, Denmark, Southern Rhodesia and Jamaica. And an Argentine four per cent loan was raised from British holders of frozen exchange on Argentina. In some quarters these operations are seen as indicative of gradual opening of the British capital market to outsiders.

Advocate Foreign Loans

Dangers in keeping the British market too tightly closed, and reasons for opening it, are advanced by J. Henry Schroder & Co., London bankers, in their current Quarterly Review. It is pointed out that there is a danger to the future of British export trade in prohibiting foreign loans. Countries exporting primary products are getting such low prices that they are unable to establish sufficiently large credits to buy manufactured goods abroad. This, of course, is characteristic of nearly all South America. The danger is that such countries may erect tariff barriers to help out their foreign exchange position, to make it harder to import. Then, if these barriers should bring development of protected domestic industries, it would be difficult to get tariffs lowered later.

For this reason, and to help British foreign trade, which has shrunk 45.6 per cent as to imports, 50.6 per cent as to exports, it is suggested that foreign lending be resumed. The plan proposed is to allow outsiders to borrow in London on conditions that the funds be devoted to purchases in Great Britain. This would avoid weakening the pound sterling, because the loan transfer would actually be made in the form of goods. Also it would give an impetus to British export trade.

Empire Starting Point

The Quarterly Review suggests that Neville Chamberlain, Chancellor of the British Exchequer, in stating recently that fears of lenders are the chief cause of lack of borrowing, failed to admit the importance of the British embargo on new loans. Nevertheless it is stated:

"After recent experiences in different parts of the world, investors are for a very long time going to be shy of letting their money go into long-dated foreign loans. . . . All the more reason why . . . some beginning should be made with lending to such few borrowers as can provide sufficient security to satisfy the very fastidious taste of modern investors. . . . Outside the British Empire such borrowers would be difficult to find today. . . . But . . . it would surely be a healthy indication of a return to sanity if some inducement could be offered . . . to resume the old-fashioned habit of long-term lending: and the only centre in which such an attempt could be made with any success is London."

Boiled down, this obviously appears to mean that loans from the British investment market to countries of the Empire should be the starting point, in fact is the only possible starting point at present.

Sooner or later the British loan embargo will be lifted, it is conceded by authorities. Canada, her provinces, and some municipalities, on the basis of the above statement, should be among the first to get the benefit of this.

Difficulties for Canada

There are, however, difficulties to be surmounted from the Canadian viewpoint. First, Canadian Governments need money to meet their own local outlays. Second they require it to meet maturities of issues outstanding in New York or in Canada, and only to a minor extent for sterling maturities. In neither case would the suggested provision that proceeds of British loans be expended in Great Britain be easy for potential Canadian borrowers to fulfill. Baldly, Canadian governmental borrowers are seeking money to meet deficits on domestic expenditure or to meet maturities. In the one case loans from Great Britain would perhaps mean financing of deficits; and in the other they would signify transfer of part of our debt to Britain from Canada and the United States.

If funds were borrowed from British investors, to finance new public works in Canada, the money still could not all be spent in the United Kingdom. Outlays on labor would have to be made in Canada, and the pound sterling would only get part of the benefit of importations of goods into Canada because of the tariff charges. While, therefore, Canadian Governments are eager to borrow in Britain, especially because of the low rates available, some practical obstacles might arise if it were stipulated that the funds must be spent in the Mother Country.

Canadians Buy More Domestic Refrigerators

Production of electric refrigerators in Canada during 1932 was substantially higher than in 1931 but failed to make up for the sharp decline in imports. Production of individual domestic type refrigerators was 19,454 units in 1932, valued at $2,218,798 as compared with 9,879 units in 1931 with a value of $4,708,000. The value of other types produced dropped from $1,088,590 in 1931 to $914,455 in 1932.

Refrigerators imported during 1932 from the United States and the United Kingdom numbered 5,363 units valued at $388,634 at the factory which compares with 18,012 units valued at $2,553,935 in 1931. There were 13 manufacturers of electric refrigerators in Canada in 1932.

WEST PROVINCES PLAN PROGRAMME OF PUBLIC WORKS

Will be Prepared in Case Ottawa Extends Requested Aid

From Our Own Correspondent

VANCOUVER.—Premiers of the four Western provinces have met, conferred, decided what they wanted, and then gone back to their respective homes, satisfied that they have done their part toward the financial relief of Western Canada. The next move, they say, must come from Ottawa.

Meanwhile, the provinces are preparing definite programmes of public works within their respective borders to be presented to the Ottawa government in the event that the desired financial support is forthcoming.

Briefly, the four Western premiers agreed to ask the Federal Government to use the national credit in financing a far-reaching programme of public works and general financial rehabilitation in the West.

If it is found necessary to issue additional currency to pay for this undertaking, the four Western premiers are for it. But they wished to make it very clear that they were not in favor of inflation.

Not Asking Inflation

"We are not proposing inflation in the sense often used nowadays," stated Premier T. D. Pattullo, who took the initiative in calling the conference of premiers at Victoria. "We are not asking for uncontrolled inflation, but the rational use of the national credit."

Some of the other major pleas of the premiers' conference included: 1. A national scheme of unemployment insurance on a contributory basis. 2. An economic council directing its energies toward establishing continuity of employment. 3. A scheme for refunding provincial debts and lowering interest rates. 4. Cheaper money for industry. 5. Lowering of interest rates on bank deposits to facilitate lower rates on provincial, municipal and industrial loans.

One of the results of the conference may be greater cohesion between the four provinces in handling the unemployment relief situation. The constant shift of transient population between the prairies and the Pacific coast has developed an unemployment situation in the West that is different from conditions encountered elsewhere, and by working together the governments expect to accomplish considerably more than in the past.

Political Aspects

Three different political parties were represented at the conference, and all four premiers wished to emphasize that the issues discussed were not political but economic. Nevertheless, since the four Western provinces present a united front on the important issues discussed at the conference, their attitude may become a vital political factor. The provinces represent seventy-seven seats in the House of Commons.

The Western provinces are not asking Ottawa for a gift. They are asking for a long-time loan. However, they don't want to pay interest. Instead, they would set aside only sinking funds that would, bearing interest meanwhile, retire the loans at the rate of $30,000 a year for each million borrowed.

Financial Troubles

"How else can we possibly finance ourselves?" asked Premier Pattullo, discussing the results of the conference. "We can't go and borrow at six or seven per cent and then tell investors we are about to refund at a lower rate. But if the immediate resources were available we could afford to go behind several millions a year for a limited period because we have the variety of wealth and natural resources behind us."

Transformers, Motors, Output Lower in 1932

Electric transformers manufactured in Canada during 1932 were valued at $2,871,559 as compared with $4,982,976 in 1931. Imports dropped to $333,694 from $528,040 in 1931. Power transformers over 200 kv.a. or over 15,000 volts accounted for 59 per cent of value of production at $1,699,707, 160 transformers of this type having been produced with a total rating of 703,563 kv.a. Distribution transformers 200 kv.a., and under, and 15,000 volts and below were produced to the number of 4,966 with a value of $872,073 which compares with value of $1,739,212 on 10,065 units in 1931.

Production of electric generators in Canada in 1932 numbered 100 valued at $3,445,925 as compared with 181 valued at $4,376,405 in 1931. Only four companies made generators in Canada in 1932 and produced 39 alternating current generators and 61 direct current generators. Electric motors made in Canada in 1932 were valued at $2,233,226 as compared with $3,401,627 in 1931.

Output of Water Heaters Was Sharply Down in 1932

Production in Canada of gas and electric water heaters for domestic use numbered 24,879 units in 1932 with a value of $235,672. This compares to 34,059 units valued at $364,251 produced in 1931.

There was a very slight decline in the number of immersion type electric water heaters, the number of which dropped from 5,472 in 1931 to 5,417 in 1932, while electric heaters of the circulating type dropped from 7,579 in 1931 to 3,557 in 1932. Electric heaters of the storage tank type increased from 260 in 1931 to 347 in 1932. There was a total of 9,321 electric water heaters produced in 1932 with a selling value of $93,544 which compares with 13,311 units in 1931 valued at $114,227.

Gas water heaters of the non-automatic type produced in 1932 numbered 14,735 units valued at $104,434 as compared with 16,043 units valued at $129,898 in 1931. Gas water heaters of the automatic type were produced to the number of 823 units valued at $87,694 as compared with 4,705 units valued at $120,126 in 1931.

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Further Decline Shown in Failure Statistics

Failures under the Bankruptcy Act as disclosed by the Canada Gazette for the week ending November 25, show a decrease of eight, the figures being: 1932, 39 and 1933, 31.

Figures for the whole period of the year up to November 25 are: 1932, 1,959 and 1933, 1,385, a decrease of 574 or 29 per cent.

These are divided among the provinces as follows:

No. of Failures in Canada to Nov. 25

	1932	1933	Decrease
Prince Ed. Island..	12	8	4
Nova Scotia	69	59	10
New Brunswick	76	41	35
Quebec	640	420	220
Ontario	805	619	186
Manitoba	69	61	8
Saskatchewan	65	47	18
Alberta	120	74	46
British Columbia ...	103	56	47
	1,959	1,385	574

Rubber Footwear Output Now in First Place

Forty-seven firms in Canada, engaged in the manufacturing of rubber last year reported a value of production of $40,756,910, decreasing considerably from a production valued at $52,691,230 in 1931. This industry is constituted of three main classes of activity. The manufacture of rubber footwear accounted for $16,599,177 or almost 41 per cent of the total production; rubber tires and tubes $15,903,439 or over 39 per cent, and other rubber manufactures $8,244,294 or over 20 per cent.

The manufacture of rubber footwear was the only one of the three branches of the industry to record a gain over the previous year, that being $427,909 or over 2 per cent.

Canada now ranks among the leading countries of the world as a manufacturer of rubber goods. In 1930, Canada was the fifth largest importer of raw rubber in the world, ranking after the United States, the United Kingdom, France and Germany. In 1932, however, Japan and Russia were also ahead of Canada in the imports of raw rubber.

Tobacco Exports Larger

With 11,771,290 pounds of Canadian leaf tobacco exported for the first seven months of the current calendar year, there was an increase over the same period of 1932 of 31 per cent, according to the Department of National Revenue. Of the total of this year's exports the United Kingdom took 99 per cent.

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Trusts & Guarantee Would Take Over All Assets

TO LIST STOCK

Price is Set at 6,000 Shares; Combined Assets Would Total $61,000,000 as Result

Purchase of the Union Trust Co. by Trusts & Guarantee Co. is now subject only to ratification by shareholders at meetings to be held on January 25. The offer made to shareholders of Union Trust Co. is for the entire assets, undertaking and goodwill of this company in return for 6,000 shares of Trusts & Guarantee Co. stock. On this basis shareholders of Union Trust Co. will receive six shares of Trusts & Guarantee Co. stock for every ten shares of Union Trust Co. stock held. On the basis of liquidating value of Trusts & Guarantee Co. stock at December 31, 1932, there is a value placed on Union Trust Co. shares of approximately $63.

It is proposed to increase the authorized capital of Trusts & Guarantee Co. from $2,000,000 to $3,000,000 and, if the purchase of Union Trust Co. is consummated, there would be $2,600,000 of $100 par value shares outstanding. It is also proposed that the number of directors be increased from 14 to 20 and two or three of the present directors of Union Trust Co. will be invited to join the Trusts & Guarantee Co. board. One interesting outcome of the acquisition will probably be the listing of Trusts & Guarantee Co. shares on the Toronto Stock Exchange. Previously these shares have been traded on an over-the-counter basis only although the shares of Union Trust Co. are listed.

Will Merge Assets

Union Trust Co. was incorporated in Ontario in 1901 and at December 31, 1932, had total assets of $18,132,000. Trusts & Guarantee Co. was incorporated in Ontario in 1897 and at the end of 1932 had total assets of $43,110,000. With the acquisition of Union Trust Co. assets the Trusts & Guarantee Co. will rank as one of the largest trust companies in Ontario on the basis of both deposit liabilities to the public and volume of estates, trusts and agencies business. The head office of Union Trust Co. will be closed but all branches of the business will be continued from the head office of the purchasing company. The Winnipeg branch of the Union Trust Co. will be retained, it is anticipated. C. D. Henderson, general manager of Union Trust Co., will remain with Trusts & Guarantee Co. in an executive capacity. Savings of $50,000 to $75,000 on operating costs are expected to result from the deal.

Stock of Union Trust Co. which sold as high as $150 in 1928 has been very inactive in 1933 with recent sales at $25 as compared with a high of $100 per share in 1932. Earnings of the company have declined for three successive years; liquidity of the company was low and rumors regarding the companies mortgage loans in Western Canada had an unsettling effect on both shareholders and depositors. Approximately 40 per cent of the company's mortgage loans are in Western Canada with half of the western mortgage investments in Manitoba. Manitoba loans include a good proportion of loans in Winnipeg which are stated to be in good condition although it is admitted that losses have been heavy in Saskatchewan. In 1931 a special reserve of $200,000 was set up against losses on mortgages and investments in Western Canada while in 1932 another $100,000 was applied in writing down investments.

Trusts & Guarantee Very Liquid

Trusts & Guarantee Co. has shown a high liquid ratio with cash and liquid securities 127.9 per cent of deposits at December 31, 1932, as compared with an average of 60 per cent for all the trust companies in Ontario and 25.3 per cent for Union Trust Co. On the basis of percentage of total trustee investments to total guaranteed funds, Trusts & Guarantee Co. showed some 90 per cent at the end of 1932 against a provincial average of 79 per cent and 98 per cent for Union Trust Co. Only 17 per cent of Trusts & Guarantee Co. mortgage investments are in Western Canada, chiefly in Alberta but some in British Columbia.

The deal is expected to bring to Trusts & Guarantee Co. an increase in estates, agency and transfer business which through greater volume and reduced overhead can be handled more profitably. Earnings of this company in 1933 have been well maintained and dividend of 3 per cent has been earned. Deposits are slightly higher than the $1,407,995 shown at the end of 1932, trust funds for investment are down while the volume of estates, trusts and agencies account shows increase of more than $2,000,000. The annual report, to be available in February, will show consolidation of the assets of the two companies. No further annual reports will be issued by Union Trust Co.

Comparison of the position of the two companies as shown in the 1932 balance sheet is as follows:

Figures as at December 31, 1932

	Trusts & Guarantee $	Union Trust $
Total assets	43,110,842	18,132,407
Guaranteed Trust Acct.:		
Trust deposits	1,407,995	1,362,912
Funds for invstmt.	5,660,638	2,193,865
Estates, trusts & agencies acct.	38,830,469	12,837,736
Paid-up capital	1,977,887	1,000,000
Reserve	......	400,000
Special reserve	......	200,000
Surplus	102,897	37,833
Equity of shares	105.21	163.78
Earned per share	4.40	2.43

Bell Telephone Transfers Big Loan To Canada

From Our Own Correspondent

MONTREAL. — Unheralded by advance publicity, the Bell Telephone Co. of Canada has effected one of the largest pieces of financing undertaken in the Dominion this year by transferring its loan of several million dollars with the American Telephone and Telegraph Co. to its Canadian bankers. This step was taken when the exchange situation permitted the company to effect the transfer without expense.

At the end of last year Bell Telephone reported that its borrowings from the American Telephone and Telegraph Co. totalled $12,245,000. This compared with $9,075,000 at the end of 1931. With the Canadian dollar at a discount in New York during this period, the company set up a reserve of $500,000 to take care of the possible payment of premiums on the loans which were repayable in American funds.

The possibility of a premium payment was eliminated by the transfer of the loan to Canada when exchange was favorable to the Bell company. This enabled the management to make use of the reserve to cut down the principal. In addition the company is understood to have made a further reduction in the principal amount owing; a fact which will be reflected in the financial statement for 1933.

NEW MOTOR LAWS PLANNED BY U. K.

Drastic Changes to Curb Growing Number of Fatalities

Practice of Great Britain in eliminating maximum speed laws is constantly discussed in Canada when revision of automobile laws is under fire.

The Ministry of Transport in U. K. is currently making an exhaustive analysis of fatal accidents and drastic new road laws are expected in that country when the report is tabled. The authorities are seriously concerned at the growing number of fatal accidents. The figures already received show that an increasing number of accidents were caused by pedestrians. The Ministry, if the total results upon analysis point to the need for some control of pedestrians crossing roads, will consider the following plans:

(1) Walkers may be required in busy traffic areas to use "sanctuary lanes" drawn across the road, at each end of which would be a "cross here" sign. It would be made plain to walkers that they were safe while using the "lane," but if they were struck while crossing at any other point it would not necessarily be the fault of the motorist. Motorists would be advised that if they struck a pedestrian in any circumstances while he or she was using the "lane" it would be the driver's fault.

There would be erected wooden or steel barriers at the kerb-side near "sanctuary lanes" at the busiest traffic areas to prevent pedestrians crossing near the "lane" in the hope that they would be protected by it.

(2) The issue of a standard design of rear reflector for bicycles, and the regulation that cyclists should not ride more than two abreast.

(3) A 25-30 miles per hour limit through towns and villages.

(4) Instruction to motorists that when they see the new "dead slow" sign on minor roads at their intersection with main roads, drivers must turn into the main roads with utmost caution. If an accident occurred it would be difficult for the motorist using the minor road to plead that he was driving safely.

The new minor road sign was prepared by the departmental committee on road signs and is a red triangle within a circle. It is now being erected all over the country.

United Farmers of Manitoba Protest Guarantee for C.P.R.

From Our Own Correspondent

WINNIPEG. — United Farmers of Manitoba have sent a protest to Premier Bennett against the recent act of the Government in guaranteeing bonds of the Canadian Pacific Railway.

The resolution which was passed by the executive declared that before any further responsibility for the C. P. R. was taken on by the Government the people of Canada should be given some voice in controlling the expenditures and maintenance of that railway.

Beauharnois Construction Surrenders Its Charter

From Our Own Correspondent

MONTREAL. — Beauharnois Construction Co., subsidiary of Beauharnois Light, Heat and Power Co., ended its official existence on December 3 last when its application for leave to surrender its charter was accepted by the Quebec Government. This enterprise was incorporated with a nominal capitalization to carry out the construction work on the Beauharnois power development on the St. Lawrence River.

DOMINION STEEL DEBENTURE PLAN MEETS APPROVAL

Obligations of Company Are Limited—Vote Issue of Prior Liens

From Our Own Correspondent

MONTREAL.—Debenture holders of Dominion Steel and Coal Corp. have approved of the proposal affecting their rights under the trust deed. The plan provides for the postponement of interest between March 1, 1933 and September 1, 1935, and the waiving of sinking fund payments due January 1, 1933, 1934 and 1935. Payments on account of such interest payments are to be made May 31 and November 30, 1934, and each year thereafter, on condition such payment does not reduce working capital of the corporation below $3,000,000 and no payment is to be less than 1 per cent.

Debenture holders also authorized issue of sufficient prior lien bonds or certificates to be lodged with the corporation's bankers as collateral to give them along with ordinary security upon inventories and other assignable assets to the extent of a total security of $150 for each $100 of loans outstanding at any time. The amount of such prior lien bonds is limited to $3,500,000 maximum.

Out of a total debenture stock issue outstanding of $13,499,994, an amount of $6,612,446 is held by the banks, leaving $6,887,548 in the hands of the public. Inasmuch as the banks were the interested party in the proposal, they did not vote their bonds at the meeting. About 75 per cent of the stock in the hands of the public voted approval of the plan.

TOTAL $5,524,666 IN SINKING FUND

Saskatoon Fund Surplus $208,000 — Only $3,810 Overdue

City of Saskatoon's sinking fund totalled $5,524,666 at Oct. 31. 1933, according to a report by the city commissioner, Andrew Leslie. Investments of $4,611,984, and cash $608,916, are the largest items in the fund. Value of the securities is not stated.

There is only $3,810 of principal and interest overdue to the fund, which is invested about 20 per cent in the city's securities, the remainder being nearly all provincial government bonds. The overdue interest has accrued on some $20,000 of school district and rural telephone bonds.

Surplus earnings of the sinking fund total $277,170, according to the report. Deducting $69,187, balance of 1932 contribution to the fund not yet deposited, there is a surplus of some $208,000 on hand over requirements.

Average interest earned on the fund's investments is 5.31 per cent, compared with cost of the city debt of 4.98 per cent. The fund is earning about $85,000 per annum over statutory requirements. The report states that the total fund now represents 36.94 cents for each dollar of the city's debt.

Saskatoon has never found it necessary to refund maturing debt. In 1933, $266,743 of maturing debentures were retired, and in 1934, $491,253 will mature and will also be retired, states the commissioner.

The sinking fund has nearly trebled since 1920, when it totalled $1,846,790.

J. A. Beausejour Heads Ottawa Underwriters

J. A. Beausejour was elected president of the Life Underwriters' Association of Ottawa at the annual meeting held at the Chateau Laurier recently.

A. Gordon Nairn, of Toronto, field supervisor of the organization, was the luncheon speaker and gave a résumé of the work of the Life Underwriters with particular reference to the benefit derived by the man in the field.

The list of officers elected follows: Honorary presidents, H. F. Murray, D. W. Morphy; president, J. A. Beausejour; first vice-president, W. L. Phelan; second vice-president, P. A. Stanley Todd; secretary-treasurer, J. Rodger Reid; executive A. D. Stewart, A. G. Smith, Max Widder, M. B. Margosches, W. H. Gardner, D. G. Buckley.

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Argue Free Canals Serve Best Interest of Country

As Exporting Country, Nation Said to Require Cheapest Possible Transportation

The Financial Post has taken a stand in favor of imposition of tolls on Canadian canals, in order that those who benefit from the use of the canals should contribute all or a portion of the cost of their maintenance and operation, now entirely borne by the taxpayers at large. The case for such a policy has been published.

There are many who oppose The Financial Post's suggestion. It is not desired that their views should be excluded from The Post's columns as what is sought finally is the policy that is best for the country at large.

Three articles have now been written to present the viewpoint of those who oppose canal tolls. The final one appears below. In publishing these articles The Post does not necessarily endorse any or all of the views expressed in them.

Many arguments, both pro and con, can be advanced on the advisability of Canada charging a toll on canal traffic. To arrive at a reasonable conclusion on the matter, the point which should be borne in mind is whether or not the government is justified in maintaining and servicing free canals. The expense is large, though relatively small in comparison with outlays in other directions. Free canals are distinctly to Canada's national advantage in the opinion of T. R. Enderby, general manager of Canada Steamship Lines, and an authority of St. Lawrence and Great Lakes shipping. He has summarized these advantages under three headings.

In the first place Canada is an exporting country. Primarily its export commodities are in a raw or semi-processed state. This country is in competition with other countries which are faced with the same problems as Canada, namely, the marketing of a surplus of raw materials. Price rules in the international market. Quality is a consideration. But the dominating note is price, for the importing country consumes only what it can afford. In competing in world markets, Canadian shippers must not be handicapped by shipping costs.

Canals Stimulate Rather Than Retard Trade

Transportation also plays an important part in the country's domestic economic welfare. There are few large centres of population in the Dominion. Cities and towns are separated by long distances. The movement of goods from one point to another must be done at a minimum cost, otherwise trade is stifled.

It is to the country's advantage, both from a domestic and international point of view, to provide the producer, distributor and consumer with a means of communication which will stimulate rather than retard the volume of trade. A free waterway is essential, for not only does it benefit the immediate adjacent territory but all parts of the country. Water rates influence other rates: they are the cornerstone of the whole transportation rate structure.

The second advantage of a free waterway has to do with Canada's greatest commodity—wheat. There is no need to dwell upon the importance of this product to the welfare of the Dominion. A large proportion of the country's population depends on this commodity for its livelihood, while the balance benefits indirectly. Anything which would disturb the marketing arrangements of wheat would inevitably react to the detriment of the whole country. Under present conditions of free competition for grain cargoes on the Lakes, any canal toll would necessarily involve a direct ultimate increase in the rates for lake shipments. A toll would increase the cost of shipping wheat and would correspondingly handicap Canada in world markets, with ill-effects on every industry and wage earner in the country.

The third point of consideration is of more direct concern to transportation and allied interests. If Canada alone were to impose a toll, it would mean the diversion of traffic to United States canals, railways and ports. In these days when Canadian railways and harbor commissions are striving for all the business they can secure, such a move would be foolhardy. Revenue would be secured—though not as much as now anticipated because of the diversion of traffic—and the cost to the country would be far beyond the $12,000,000 or $14,000,000 involved.

Benefits Are Not Altogether Localized

Those favoring a toll charge deal with the seeming discrimination between one section of the country and another as to the benefits when all share alike in the cost of maintaining and servicing the canals. The argument is regarded by lake and canal shippers as fallacious. Certain sections benefit more than others, but no one suggests that particular sections of the Canadian National or Canadian Pacific Railways pay more for their rail service because other sections receive greater benefits.

Along these lines advocates of the toll ask why Pacific Coast shippers should be taxed for the upkeep of St. Lawrence and Great Lakes canals when they pay tolls on shipments through the Panama Canal? This argument is answered in two sections. In the first place ships using the Panama Canal on their way from the West to the East Coast or European markets cut many days and well over 2,000 miles off their voyage by using the canal. The saving on operating costs, greater use of capital represented by the ship and its equipment, improved marketing, etc., far outweigh the toll charge. The St. Lawrence-Great Lakes Canals, on the other hand, are a lateral part of the waterway. They do not cut off distance. Their sole object is to make possible the economic use of this country's most important channel of communication. Their upkeep and unrestricted use is an important factor in national welfare by which all parts of the Dominion benefit.

The Pacific Coast region, secondly, receives compensating benefits. British Columbia enjoys a much lower scale of railway rates than the relative cost of construction and maintenance of lines in that province would indicate. Who bears the cost?

Other Areas Receive Federal Assistance

It also has been said that the Maritimes have to pay for what chiefly benefits Quebec, Ontario, Manitoba and Saskatchewan. There is no denying this, but the four areas which benefit most do not complain of the Maritime Freight Rates Act which provides statutory reductions of rail freight rates at the general public expense for the benefit of Maritime shippers. Then there are subsidies to the Maritime coal industry—paid out of the Federal treasury. Mention might also be made of the cost of maintaining navigational facilities in the harbors and along the shore line of the three Atlantic provinces, the cost of which is borne out of general revenues, which, in turn, come mostly from the people who receive the greatest benefit from the canals.

Canals Help Canadian Shipping

Toll advocates make the claim that toll-free canals are maintained chiefly for the benefit of foreign ships and shippers. Nothing could be farther from the truth. Last year 73.7 per cent of all freight passing through Canadian canals originated in Canada. In the same twelve-months period 90 per cent of the vessels and 85 per cent of the registered tonnage passing through Canadian canals were of Canadian registry.

This has not always been the case, for it is only in the past eleven years that Canadian freight passing through the Dominion's canals exceeded freight originating in the U. S. Between 1911 and 1921 inclusive, freight originating in Canada formed only 32 per cent of the total carried, but in the next eleven-year period the Dominion's share had risen to 70 per cent.

Canadian canals are not for the benefit of foreign ships and shipping. Such a claim might have been made at the time when the tolls were lifted, but today Canadian canals are used for the most part by Canadian ships and shippers.

Direct Benefits Far Outweigh Cost

Estimates have been carefully compiled to show that at least three-quarters of Canada's population are directly influenced and benefitted by the existence and maintenance of a free waterway. This is one of the rare instances in which it can be said that a government expenditure benefits such a large proportion of the population. Put in another way—for an expenditure of slightly better than $1 a head of population, Canada ships its principal product to a market at a low transportation cost; industries in the Maritimes, Central Canada and the Prairies are able to market their goods at a price within the reach of the consumer; the central area secures coal, petroleum and other materials at a smaller cost. If one could place a dollar value on these direct benefits, the total would be far in excess of the $12,000,000 to $14,000,000 now spent on maintaining a free waterway.

Tolls Would Disrupt Sensitive Service

It is in the national interest that no policy be adopted which would disrupt or disturb a free waterway transportation system. Ship operators now are performing an efficient service at a cost which cannot be regarded as other than favorable to the producer and consumer. The imposition of a toll charge cannot be carried out effectively without similar action on the part of the United States government. By adopting such a policy alone, Canada would divert a large volume of traffic through American transportation channels. The cost of marketing grain would rise to the detriment of the West. Industry would be harmed and the country, as a whole, would suffer.

Government economies are desirable, but efforts along those lines should be directed into channels which will not disturb a highly sensitive communication service essential to the country's welfare.

(Concluded)

BELL TELEPHONE HOOK-UP SUCCESS

Over 15,000 Miles of Circuit Used to Bring Ford Dealers Together

From Our Own Correspondent

MONTREAL.—Bell Telephone Co. of Canada co-operated with various affiliated companies in the United States in making a success of the Ford Motor Co. dealer conference with the company's executive by telephone. This was one of the largest commercial hook-ups ever undertaken in America or the world.

The wire circuit that brought the Ford members together in a single meeting extended from Halifax to Vancouver, from Regina to Jacksonville, Fla. In Canada Ford dealers were assembled at East Windsor, Toronto, Montreal, Saint John, Halifax, Winnipeg, Regina, Calgary and Vancouver.

The length of the wire system was estimated at 15,000 miles and more than 250 telephone operators were required to set up the network and keep it in operation.

Those who talked to members of the Ford organization were Henry Ford, Edsel Ford, Wallace R. Campbell, and R. M. McCarroll.

MANITOBA PROBES WINNIPEG ELECTRIC

Public Utility Board Starts Enquiry for Government

From Our Own Correspondent

WINNIPEG.—An investigation into the problems of the Winnipeg Electric Company and the transportation difficulties of Winnipeg and adjacent areas was begun last week by the Manitoba Public Utilities Board of which W. R. Cottongham, K.C., is chairman. This investigation was ordered at the last session of the Manitoba legislature, to which the board is to make a report.

No great progress was made at the first session of the inquiry, which was adjourned in order that details of the company's financial position, sought by different interests, might be furnished. Representatives were present, not only from the city of Winnipeg and surrounding municipalities, but also of the Independent Labor party in the Legislature. The position of the company in relation to the enquiry was partly elucidated by its counsel, R. D. Guy. To a suggestion that default to the bondholders was a reason for holding the enquiry, it was replied that the enquiry was purely one into transportation matters, and the question of bond obligations did not enter in, and this position was concurred in by the chairman of the board.

Jules Preudhomme, city solicitor, suggested that the company was in a position to say that it could not carry on. This suggestion was repudiated by Mr. Guy, who however, said that the company was quite prepared to state that it could not run on indefinitely and lose money at the rate it had been doing during the past few years.

MATTHEWS BONDS CAN BE EXCHANGED

Colonial Steamships New Company to Acquire Matthews Assets

Holders of Matthews Steamships six per cent first mortgage bonds, due 1942, have been advised that they should forward their bonds for exchange into general mortgage bonds and common stock of Colonial Steamships Limited. The latter is the new company formed by Sarnia Steamships in connection with its purchase of the Matthews assets, as recently approved by the Matthews Steamship bondholders. Bonds of the new company are to be dated Jan. 1, 1934.

The basis of exchange is $700 of Colonial Steamships 6's of 1954 and seven shares of common stock for each $1,000 Matthews Steamship bond. Holders of the Matthews Steamships bonds are also entitled to purchase six per cent, seven-year, prior lien bonds of Colonial Steamships in proportion to their holdings. This is open until Jan. 5, 1934.

This means that holders of Matthews Steamships bonds can purchase $161.76 in the new bonds for each $1,000 held. In terms of the new Colonial Steamships bonds the ratio would be $231.09. But subscriptions will be filled only to the nearest $100 of prior lien bonds, this being the smallest denomination available. Subscribers for more than proportionate amounts may be supplied from any portion of the prior lien bonds unsold, and any balance then unsubscribed is to be purchased by Sarnia Steamships.

Algoma Terminals Investors Grant Further Moratorium

At a meeting of bond and debenture holders of Algoma Central Terminals in London, it was recently consented to allow the committee to further postpone interest due between Dec. 31, 1933, and Dec. 31, 1936.

The committee for the security holders now has the authority to postpone interest payments until June 30, 1937, if deemed advisable. Such postponed interest payments are to carry interest at five per cent. Rent payable by the Algoma Central Railway Co. to the terminals company may also be postponed. Of the £615,540 outstanding bond and debenture debt, £363,785 was represented in person or by proxy at the meeting, it is reported.

4.60% Interest
Secured by the resources of Canada

Dominion of Canada
Conversion Loan 4½% Bonds
Due November 1st, 1958

Price: 98.50 and interest, to yield 4.60%

"There is no better investment than Dominion of Canada Bonds"

Wood, Gundy & Company Limited
Telephone ELgin 4321
36 King St. West Toronto

Abbott, Hoppin and Co. Open Montreal Branch

From Our Own Correspondent

MONTREAL.—Abbott, Hoppin and Co., members of the leading security and commodity exchanges in the United States, will open an office in Montreal at the beginning of 1934 with Louis S. Colwell, dean of New York Stock Exchange representatives in Montreal as resident partner. Abbott, Hoppin and Co. whose principal office is in New York, maintain two offices in Chicago, one in Pittsburg, Indianapolis and Appleton, Wis.

L. S. Colwell is serving a second term as Governor of Association of New York Stock Exchange firms. He is one of the original members of the Montreal Curb Market.

National Steel Car Corporation Limited

Builders of Passenger Cars — Freight Cars — Street Cars — Air Dump and Industrial Cars of all descriptions. Automobile Chassis Frames, Woodwork and Parts — Steel Pressings — Forgings — Drop Forgings.

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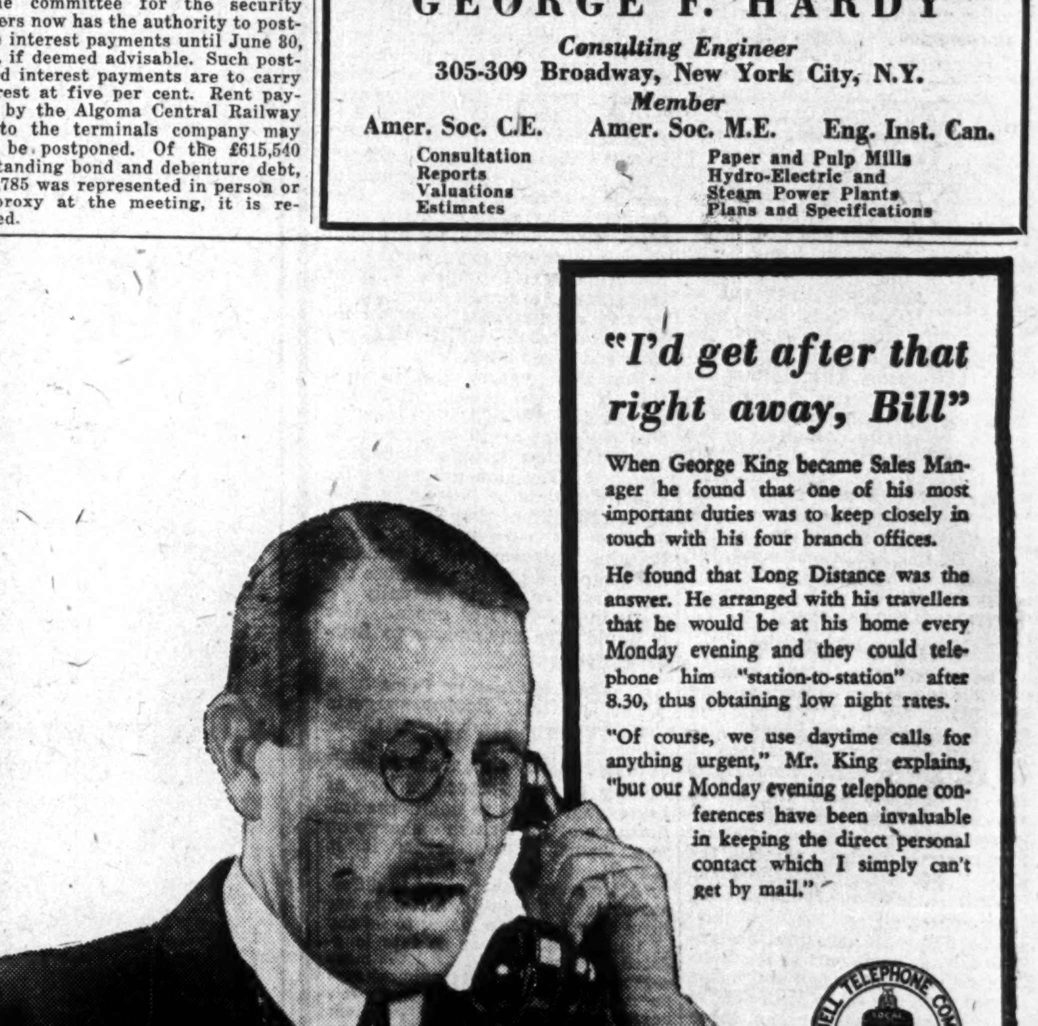
"I'd get after that right away, Bill"

When George King became Sales Manager he found that one of his most important duties was to keep closely in touch with his four branch offices.

He found that Long Distance was the answer. He arranged with his travellers that he would be at his home every Monday evening and they could telephone him "station-to-station" after 8.30, thus obtaining low night rates.

"Of course, we use daytime calls for anything urgent," Mr. King explains, "but our Monday evening telephone conferences have been invaluable in keeping the direct personal contact which I simply can't get by mail."



ASK ABOUT Short Period Talking Service. It provides direct Long Distance communication for specified daily periods between offices and plants in distant cities. The cost is considerably less than ordinary Long Distance.

News of Investment Markets

WESTERN BONDS CONTINUE WEAK; OTHERS FIRMER

Recession of Canadian Dollar Improves High-Grades

Another period of marked weakness for western provincial bonds was recorded in the week ended Dec. 12. Gilt-edged bonds lost part of the recovery of the previous week, but strengthened on end as the Canadian dollar receded to parity in New York. Corporation bonds were firm but inactive. Interest in new municipal financing was at a low ebb.

Losses of from one to 4½ points were marked up for active western provincial issues in the week. While bids were quoted, traders inform The Financial Post that these have been thin. Buyer timidity has resulted in an orderly retreat of bidders in the face of offerings without much actual business being done, it is reported.

At the end of the week bid prices were quoted mostly in round figures. This is taken to indicate that firm bids were lacking and approximations prevailed. Declines were widespread, however, as the tabulation of price changes in the week and in the preceding four weeks indicates:

Co-operative Declines in Bids for Active Western Provincial Bonds

	Dec. 11	Dec. 4	—Decr. Since— Dec. 4	Nov. 13
*Alta. 4½'s '56 .	81	82½	—1½	—6½
Alta. 6's '47 ...	94	97½	—3½	—8¾
*B.C. 4½'s '53 ..	82	84	—2	—5½
B.C. 6's '47	92	96	—4	—7¼
*Man. 5's '59 ...	87	88	—1	—5
Man. 6's '47 ...	94	96	—2	—7
*Sask. 5's '59 ..	84	87½	—3½	—5¾
Sask. 6's '52 ..	91	95½	—4½	—9

* Payable in Canada and U. S. A.

Fear of Refunding

Fear that refunding will be attempted by the western provinces is conceded to be the reason for the softness of this market. By their agitation, the provinces are hurting their own credit, was the comment of one dealer. The experience of bond prices in New Zealand, following a coercive conversion is noteworthy. After five per cent issues were exchanged for four per cent, the latter actually sold higher than their predecessor bonds. This, however, may have been a reflection of the London exchange rates.

Gilt-edged issues were somewhat easier for several days of the week. On Dec. 12 improvement was noted, largely, it is believed, because the Canadian dollar dropped from about $1.01 to approximately par in the United States. This is understood to have eased the pressure of American offerings which has been a depressing factor on the Canadian market for the past month.

The course of gilt-edged bond prices is indicated by the trend of yields, the converse of prices, shown below:

Average Yield on Seven High-grade Canadian Bonds

Dec. 12		Dec. 4	4.554
Dec. 11	4.583	Nov. 30	4.557
Dec. 9	4.584	Nov. 22	4.666
Dec. 8	4.570	Nov. 15	4.441
Dec. 7	4.563	Oct. 31	4.420
Dec. 6	4.557	Oct. 16	4.420
Dec. 5	4.553	Sept. 30	4.459

Corporations And Municipals

Corporation issues have been holding firm in Canada throughout the disturbances of the gilt-edged market and in western provincials in the last month. Comparative prices are shown on page 22.

Town of Midland, Ont., has again called for tenders on $76,000 of debentures for local relief works. Although the bonds carried a county of Simcoe guarantee, the response is understood to have been negligible. The disturbed condition of the market for various Government issues has removed much of the interest in municipal issues.

Stop & Shop Sales Again Show Increase

Stop & Shop Ltd. sales increased sharply in the four week period ended December 1, totalling $492,637 as compared with $456,683 in the preceding four week period and $464,394 in the corresponding period of 1932. Gain over last year was 6.08 per cent which has been exceeded in the current year only by the gain of 7.63 per cent shown for the four week period ended August 12.

Sales for 40 weeks total $4,604,588 as compared with $4,424,920 in the same period of 1932, for a gain of 4.06 per cent. In every four week period of the current fiscal year sales have been in excess of the same period in 1932. Sales have been reported as follows:

Four weeks period ending	1933 $	1932 $	Incr. %
Mar. 25	505,601	492,058	2.75
Apr. 22	508,300	484,457	4.84
May 20	503,041	475,905	5.70
June 17	466,365	449,182	3.83
July 15	423,534	402,307	5.28
Aug. 12	386,504	359,120	7.63
Sept. 9	395,059	379,243	4.17
Oct. 7	466,864	464,758	0.45
Nov. 4	456,683	453,096	0.79
Dec. 1	492,637	464,394	6.08
	4,604,588	4,424,920	4.06

Manitoba Municipalities Would Alter Interest Yearly

From Our Own Correspondent

WINNIPEG.—The annual meeting of the Union of Manitoba Municipalities held at Brandon last week declared in favor of adjustment annually of interest rates on farm mortgages in proportion to the price of wheat. The resolution passed specified that if the net track price of wheat at point of shipment be less than 50 cents a bushel on September 15, interest for that year should be written off. At prices between 50 cents and 65 cents a bushel the rate of interest should be not more than 3 per cent, up to 65 cents a bushel not more than 4 per cent, and 75 cents a bushel or more, not more than 6 per cent.

This plan was presented by the rural municipality of Portage la Prairie. That same municipality, however, failed to secure the endorsation of the meeting for a resolution demanding that the Government of Canada issue $100,000,000 of new currency, to be used in payment for a programme of public works.

Bond Tenders

8 p.m., Dec. 19, Sainte Agathe des Monts, P.Q.—$35,000, 5½ per cent bonds dated Nov. 1, 1933, redeemable serially from Nov. 1, 1934, to Nov. 1, 1963; payable at Provincial Bank at Montreal or Sainte Agathe des Monts. Object of loan: floating debts and improvements to electric system. Rodolphe Darze, sec.-treas.

Investment Notes

Significant Investors' Index Numbers

1926 = 100

No. of Securities:	Iron and steel 19	Pulp and paper 8	Milling 5	Oils 4	Textiles and clothing 9	Food and allied products 19	Beverages 8	Total industrials 93	Total utilities 19	Total co's. 118
1929-32:*										
High	383.8	118.2	267.4	416.8	110.1	193.8	201.4	311.0	163.6	235.4
Low	36.8	1.4	34.9	78.3	24.0	66.5	27.3	44.0	30.5	38.6
Monthly Figures, 1933:										
January ..	49.5	3.3	41.1	93.6	36.8	82.9	34.0	59.6	44.6	50.8
February ..	44.4	3.6	39.7	86.5	33.6	80.2	31.6	56.3	38.6	46.6
March	44.8	2.3	37.8	86.7	32.2	78.6	36.0	57.3	38.2	46.6
April	48 6	2.7	44.3	98.1	31.2	85.3	37.8	67.5	38.5	52.0
May	65.5	3.8	60.9	122.4	45.7	105.1	63.2	85.8	47.2	64.7
June	83.0	6.4	70.3	141.6	55.2	118.2	106.4	103.6	53.8	76.1
July	98.1	8.4	79.1	156.6	60.0	139.1	164.3	118.3	58.5	85.0
August	91.2	7.6	76.4	147.6	59.1	126.8	152.1	113.3	53.9	80.3
September .	84.8	7.3	73.0	150.4	61.6	121.0	159.4	115.1	50.7	80.2
October ...	72.4	6.0	70.8	128.7	58.2	111.5	127.5	100.1	45.9	71.5
November .	75.2	5.7	70.0	150.0	57.3	114.2	127.7	109.6	45.2	75.5
Weekly Figures:										
Dec. 7	66.1	.3	58.9	132.7	43.5	100.7	133.8	95.9	38.6	67.0

*High and low of 1929 and 1932 are based on weekly figures. In 1933 index numbers are given monthly for the first eleven months and then weekly. Compiled from figures issued by Dominion Bureau of Statistics. See also Stock Market Indicator on page one.

Associated Breweries Declares Dividend

ASSOCIATED Breweries of Canada will start off the new year with a dividend of 1¾ per cent on the preferred stock and of 25 cents a share on the common stock. The last dividend on the common stock was 15 cents a share on the last day of 1932. The full payment in 1932 on the common stock was 60 cents a share.

* * *

Goodyear Tire Dividend Boosted

THE Goodyear Tire & Rubber Co. of Canada greets the new year with a cheer by declaring a quarterly dividend of $1 a share on the common stock, payable January 2, 1934. The rate had been $2.40 a quarter and the new rate may obtain for some time if 1934 business comes up to hopes.

* * *

Brewers & Distillers Dividend

IN DECLARING a dividend of 10 cents a share on the common stock, payable January 15, 1934, Brewers & Distillers, Ltd., are giving shareholders their first dividend since July 15, 1929, when 5 cents a share was paid.

* * *

Canners 2nd Preferred Bonus

CANADIAN Canners, Ltd., gives the first fruits to shareholders of better conditions in 1933 by adding a bonus of 10 cents a share to the dividend of five cents a share, payable January 2, 1934, on the second preferred stock. The total paid in 1933 was 25 cents a share.

The company's favorable business situation in Canada is believed to be responsible for the improvement. Although the company at various times does business all over the world these exports differ from year to year as more or less emergency demand crops up. In 1933 it has done a good business for part of the year with Great Britain in spite of exchange difficulties but English importers bought so freely while the exchange was against them that they are holding back their stocks at present in order to save a loss that would come from forcing sale.

Ordinarily the United States is Canada's chief competitor in the British Isles and at present that competition would be irresistible if it were not for the preference accorded Empire products. For example, in Canada Bartlett pears have been bringing $45 a ton whereas in the United States pears were bought from $10 to $15 a ton. In other fruits there were similar discrepancies which have become more awkward since the Canadian dollar has advanced to parity with the United States dollar.

Pears and apples are the fruits which Canada expects to export in largest quantities to England. The question of costs has become very important as a result of the changed relations of exchanges. The difference is from 15 to 20 per cent. Nevertheless Canadian Canners has her foot firmly planted on British soil and will ship on every available opportunity.

* * *

Canadian Wirebound Boxes

CLASS A stock of Canadian Wirebound Boxes Ltd. experienced a sharp upward movement during the first two weeks of December. From 11¼ on November 30 to 17½ on December 9. In ten days the stock advanced as much as it had advanced in the preceding 11 months. Officials of the company state that earnings in the current year are in excess of those in 1932 and that there has been good improvement in demand for the company's products so that operations are on a full-time basis. Special orders have also been received from distillers for packages for the export of bottled liquors to the United States.

The class A stock, of which there are 70,555 shares outstanding is the senior security of the company which showed a good liquid position at April 30, 1933, when net liquid assets amounted to $4.64 per share and equity of class A shares was $16.35. The class A stock is entitled to cumulative dividends of $1.50 per annum and arrears now amount to $2.25 per share.

* * *

Brewers & Distillers

STOCK of Brewers & Distillers of Vancouver Ltd. which lagged behind when other distillery issues forged ahead late in November appears to have caught up with the leaders under the impetus of a dividend of 10 cents per share declared payable January 15 to shareholders of record December 30. From a low of $2.10 per share on December 2 the stock sold up to $2.85 on December 11 for a gain of over 35 per cent.

While inventories of this company were shown as $3,600,027 at December 31, 1932, no statement has been issued as to the amount of distilled liquors held by this company. An unverified report indicates that the company has recently sold some 1,000,000 gallons of whisky in Seattle and the recently declared dividend, first to be paid since that paid July 15, 1929, may be one result of this sale.

BLUE RIBBON MAKES OFFER TO WILLARDS

Agrees to Pay Cash and Stock to Preferred Shareholders

Settlement of the dispute between preferred shareholders of Willards Chocolates Ltd., represented by National Trust Co. as trustee, and Blue Ribbon Corp. appears imminent, as shareholders will meet on December 28 to consider a proposal sanctioned by the trustee, the shareholders' committee and Blue Ribbon Corp. Preferred shareholders of Willards have received no dividends since June 1, 1932, as a result of an alleged breach of contract on the part of Willards Chocolates.

It is now proposed that preferred shareholders will release Blue Ribbon Corp. from all liability under the agreement of November 7, 1931, and that preferred shareholders will agree to give up the right to receive any dividends on their shares up to March 1, 1935. In return for each preferred held, shareholders will receive $3 in cash and one quarter of a preferred share of Blue Ribbon Corp. A further payment of 12½ cents on each preferred share of Willards will be paid on account of quarterly dividend of 50 cents per share paid November 1 on the Blue Ribbon preferred stock.

There are now outstanding 28,795 shares of Blue Ribbon Corp. 6½ per cent preferred stock of $50 par value. Under the proposed arrangement the amount outstanding would be increased to 29,980 shares. Current market value is $21.50 per share. Willards preferred shareholders will therefore receive stock valued at approximately $5.37 and cash of $3.12, or a total of $8.50. Dividend payments to the amount of $9.75 have been suspended as a result of the alleged breach of contract which concerns the amount of liability shown in the Willards balance sheet as at September 30, 1931.

The Blue Ribbon Corp. preferred shares carry cumulative dividends to the amount of $3.25 annually, but with the payment made February 1, 1932, the annual rate was reduced to $2 per share and dividends are now in arrears to the amount of $2.50, although quarterly payments of 50 cents per share have been made regularly.

Option on Common Unchanged

The agreement of Blue Ribbon Corp. to purchase common shares of Willards at $15 per share in 1935, subject to certain conditions being then fulfilled, is not interfered with by the proposed compromise re preference stock dividends. Since the last balance sheet of Willards was issued, the company has sustained further losses, and it is not anticipated that the company will be in a position to declare and pay dividends prior to March 31, 1935. Shareholders are therefore dependent upon the proposed agreement with Blue Ribbon Corp. for any return on their investment, such return coming through dividends paid on Blue Ribbon Corp. preferred stock. It is stated that the alternative to the plan proposed is expensive litigation which preferred shareholders of Willards would have to finance.

THEMIS BUILDING REORGANIZATION PLAN PRESENTED

Default on Bonds Leads to Rearrangement of Capital

From Our Own Correspondent

MONTREAL. — Reorganization plans of Themis Building Ltd. will be considered at a meeting of the bondholders on January 11 next. The company has been unable to meet its obligation in respect to interest and sinking fund on the funded debt and in order to satisfy claims of the bondholders a general readjustment of the capital structure is proposed.

At present Themis Building has authorized $3,000,000 of preferred and $1,500,000 of common stock, of which $2,450,000 of preferred and $1,403,000 of common stock is outstanding. The plan provides for the cancellation of all unissued shares and a reduction in par value of the remainder from $100 to $10 a share.

New Capital Set-up

This will give the company a stock capital of $450,000, which it is proposed to divide into 3,000 shares of preferred stock of the par value of $50 each and 15,000 shares of common stock of the par value of $10 each.

Under the reorganization plan preferred stockholders will receive 2,450 shares of the new common stock, on the basis of one old share for each new share. The presently outstanding 1,403 common shares will be reduced to 140 3/10ths shares, or 1 new share for 10 old shares.

Issue Income Bonds

The holders of the 6½ per cent first mortgage bonds, of which $659,000 are outstanding, are being asked to cancel their rights to interest due September 1, 1933 and March 1, 1934 and to sinking fund payments due March 1, 1933 and 1934. The present bonds will be converted par for par into income bonds carrying a fixed coupon rate of 5 per cent, maturing March 1, 1942. Interest will be cumulative and arrears of 10 per cent will constitute a default. Surplus earnings will go toward the building up of a sinking fund.

In return for these concessions the bondholders will receive 1,318 new preferred shares, on the basis of 2 shares for each $100 bond held, and 2,636 common shares, on the basis of 4 shares for each $100 bond held.

The company also covenants not to pay dividends on the capital stock while any of the bonds are outstanding; nor will any fees be paid to the directors as long as the funded debt exists.

Holders of the second and third mortgages, the principal and cumulated interest on which totals $85,050, have agreed to accept 1,701 new preferred shares to be distributed pro rata.

Stavely Apts. Bonds Deposited

The bondholders' committee for Stavely Apartments has announced that a substantial portion of the outstanding bonds have been deposited under the reorganization scheme. The time for deposit has been extended to Jan. 30, 1934. More bonds are still required before the plan can become operative, it is intimated.

SHAREHOLDERS DOMINION MOTOR MAY LOSE ALL

Operations Suspended as R. D. Kerby and P. J. Duggan Resign

Resignations effective December 31, of Roy D. Kerby, president and general manager of Dominion Motors, Ltd. and of P. J. Duggan, sales manager, sound the knell of Dominion Motors Ltd., as a factor in the Canadian automobile industry. Manufacture of the Frontenac line of cars, which the company manufactured through arrangement with the Continental company in the United States, has been discontinued, and the Canadian plant has suspended operations indefinitely as negotiations to secure other lines for manufacture have been unsuccessful.

Dominion Motors, Ltd., has practically no working capital and a mortgage on properties owned by the company at Leaside, Ont., is held by the Imperial Bank as security for loans which totalled $972,100 at the end of 1932. While the bank is well secured, officials of the company do not feel that holders of the 284,890 common shares of $10 par value will receive any return if the company is placed in receivership and is liquidated. No action has as yet been taken to place the company in receivership and it is considered probable that such action may be deferred.

A small portion, some 30,000 sq. ft., of the Dominion Motors Ltd. plant at Leaside has been leased to Reo Motor Co. of Canada Ltd., a newly formed company which will be headed by P. J. Duggan. As at January 1, Reo Motors will cease to be a division of Dominion Motors Ltd. The plant of the latter company consists of some 12 buildings, covering 18.62 acres with floor space of 600,000 sq. ft. There is a possibility that part of the plant may be leased for the manufacture of Morris cars and it is understood that executives of this English automobile company are en route to Canada with plans for manufacturing a Morris car especially designed for the Canadian market.

Dominion Motors Ltd. was formed in March, 1931, as successor to Durant Motors of Canada Ltd. which started business in Canada in 1921 with rights to manufacture Durant cars and Rugby trucks. In October, 1929, York Acceptance Corp., subsidiary of Durant Motors of Canada advanced a loan of $1,250,000 to Durant Motors, Inc., to provide working capital for that company, on security of a promissory note and 160,000 shares of the Canadian company. In May, 1930, a further agreement was made that if Durant Motors Inc. defaulted on this loan the 1921 operating agreement could be terminated. The United States company defaulted on its obligation in August, 1930.

Control Comes to Canada

The present company, Dominion Motors Ltd., was formed in March, 1931, to acquire assets and business of Durant Motors of Canada Ltd. Negotiations were made for the manufacture of the Nash line of cars in Canada but this deal did not go through due to litigation by which W. C. Durant and Durant Motors Inc. sought to secure a court decision that the 1921 operating agreement was still operative. After several court adjournments, an agreement was concluded out of court whereby Durant Motors Inc. relinquished control of the Canadian company while the Canadian company retained Canadian rights to the manufacture of Durant cars. Sale of Durant Motors of Canada Ltd. to Dominion Motors Ltd. was ratified by shareholders on May 7, 1931, shares being exchanged on a share for share basis with the majority of the stock held by Canadians.

The new company brought out a new line of cars under the name of Frontenac but showed an operating loss of $242,752 in 1931 and loss of $668,961 in 1932 which entirely wiped out surplus. Failure of associated companies in the United States with consequent discontinuance of their lines left Dominion Motors Ltd. without a car to manufacture for 1934. Loss during 1933 is believed to be under that of 1932 but sufficient to more than wipe out working capital of $225,533 shown at the end of 1932. Value of plant and equipment was placed at $1,496,415 in the last balance sheet after deduction of reserves for depreciation.

Canada Exhibits in Scotland

At the eighth Home, Food and Fashion Exhibition, held recently at Edinburgh, the Canadian section which was centrally situated, was the largest. Apart from the Canadian Government exhibit, which occupied fully one third of the Canadian section, there were attractive stands by commercial firms. These stands were in charge of their United Kingdom agents, and all report themselves as well satisfied with the results achieved. The Government stand sold 14,235 samples of Canadian food products.

Gas Production Up

Canada produced 1,655,910 thousand cubic feet of natural gas in October as compared with 1,153,714 thousand cubic feet in September and 1,652,982 thousand cubic feet in October, 1932. Production during the ten months ending October totalled 18,070,426 thousand cubic feet or 3.4 per cent below the output in the corresponding months of 1932.

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For full particulars wire or write 347 Bay St. Corporation, Limited, 21st Floor, Sterling Tower, Toronto.

Christmas Greetings

SILVERWOOD'S DAIRIES LIMITED

An all Canadian Dairy Products Organization, owned and operated by more than Five Thousand Investors, including Employees, Producers and Customers.

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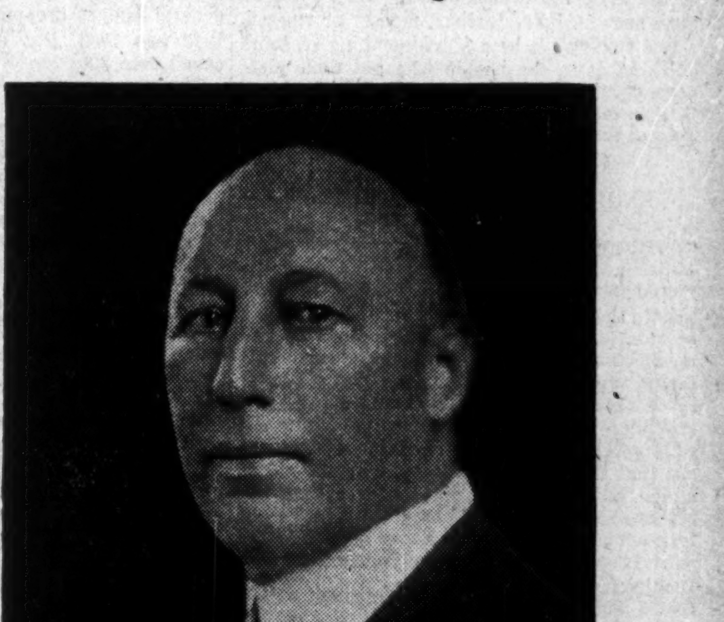

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TORONTO, DECEMBER 16, 1933

LITTLE RED SCHOOL HOUSE

A RANKING member of President Roosevelt's economic advisory staff was a recent visitor to Canada. Some tactless soul asked him to comment on the criticism of certain phases of the Roosevelt recovery programme, now becoming vocal across the line.

Yes, there was criticism, he admitted, a great deal of it. Much of it came from the bankers but that could be ignored. Bankers, are always wrong, especially when they were giving advice on how to meet an emergency. It was always necessary, he felt, to think not twice but nineteen times before taking a banker's advice on what national policy should be

There was criticism too from another class. It came from those men who had graduated from the little red school house on the hill forty years ago or so and had gone into business. They had spent their lives paying attention to the problems of their own businesses. Many knew nothing but business. They believed in thrift. They believed that a concern ought to raise wages when times were good and prices were going up and cut wages when depression came along and prices fell. They thought the government ought to mind its own affairs and not meddle in business. They believed that, at a time like the present, the best contribution a government could make was to lower taxes. They were too stupid to see that governments had to spend money to end depressions. Maybe their ideas were in the long run sound. But they simply bore no relation to the present emergency. Certainly, this adviser admitted, the administration hoped that some of that old-fashioned philosophy would be retained even after the New Deal was fully operative. But not too much of it. Criticism from people who thought along such lines had to be ignored under present conditions.

The Brain Trusters apparently think that the American people have become ashamed of the little red school house, that they have gone sour on individualism, modest or rugged.

But wouldn't it be a shocking thing if, some of these days, the people who got their philosophy out of the little red school house were to turn on the whole bunch of philosophers of the big Red colleges and throw them out?

ENGLISH PAPER COMMENTS ON C. P. R. GUARANTEE

THE ECONOMIST, of London, England, comments on the recent guarantee by the Canadian Government of a $60,000,000 bank loan to the C. P. R. It points out that Canadian opinion is, not unnaturally, perturbed by the recollection that the Dominion Government's costly association with the Canadian National system started in a similarly small way.

While, as a non-Canadian, hesitating to endorse extreme views, the Economist points out that the obvious implications of the transaction make it a matter of regret that the report of this loan should have been allowed to leak out unofficially after a five months interval. It points out that so far neither the Dominion Government nor the company has issued any official statement.

There is in England at the present time a strong agitation to relax some of the more rigid controls upon foreign lending. If the treasury and the Bank of England listen to the representations that are being made it is possible that Canadian borrowers, whose credit is sound, will be able to obtain long-term financing on the British market. If this situation develops at any time in the near future, the Canadian Pacific Railway will no doubt seek to borrow in London, taking advantage of present low money rates there, and to repay the advances it has obtained from the banks, even though these advances are for a five-year term which have yet about four and a half years to run. If such action were taken, the Dominion Government guarantee would become inoperative and the Canadian Pacific Railway would again be in a position of independence of Government support and it would be able to make stronger representations looking to a solution of the Canadian railway problem.

The C. P. R. has some 35,000 shareholders in Canada. This group of 35,000 Canadian citizens, if marshalled in a solid phalanx of opinion by the directors of the railway, would be able to bring to bear great political pressure to force the politicians at Ottawa to deal more adequately with the railway problem. For today Ottawa is stil dallying with the railway menace just as it has done for years. Unfortunately, so long as the C. P. R. is itself relying upon Government credit, any public representations it may make are weakened somewhat.

LOANS TO THE PROVINCES

WHAT is to be done about the finances of the western provinces? This is one of the most important questions facing Mr. Bennett's government at present. The Dominion has advanced over $40,000,000 to the four western provinces, most of it to Saskatchewan. The day of reckoning has been deferred, but sooner or later something must be done to place matters on a more satisfactory basis.

Apparently there are three courses which the Dominion might follow other than the present one of advancing money without strings:

1. Allow the provinces to fend for themselves, and to default, if it comes to the worst.

2. Take charge of the finances of the provinces, thus depriving them of a measure of political independence as is done by the provinces with financially embarrassed municipalities.

3. Let things go on as they are, but with the Dominion, as creditor, having some advisory control of provincial finances.

The last course would have the weakness that to enforce the desires of the Dominion it would perhaps be necessary to threaten to withhold further advances or demand return of the present loans. This would mean the situation might develop into allowing default to occur, if provinces were unable or unwilling to comply with demands. Or it might mean that nothing would be accomplished at all.

The proposal to take complete charge of finances meets the ubiquitous constitutional obstacle. Great Britain has taken charge of the finances of Newfoundland in this manner, but with the conscious consent of Newfoundland to less of political autonomy. And the Dominion could not offer the western provinces the low refunding charges which Britain has offered to Newfoundland. The arrangement in Newfoundland is ideal for handling the affairs of a bankrupt government.

Canada cannot do as much for her provinces as Great Britain has done for Newfoundland unless the British investment market is opened to western provincial financing, or unless a coercive conversion of western provincial bonds is arranged and with much of the western debt held in the United States, neither of these two possibilities is attractive. Nevertheless, greater control over finances of the western provinces is essential, if the present dangerous situation is to be rectified. It is up to the provinces. The Dominion should insist on the rights of a creditor; financial control. The provinces alone can allow this to be effected. Otherwise the only course is the first mentioned above: to let the provinces sink or swim on their own credit.

Up to the present the Dominion has taken the attitude that it would be a blow to federal credit, if a western province were to default. But the Dominion's credit can also be undermined by continuation of lending to the western provinces. It would be better to stop the advances now than to allow them to develop gradually into a national instead of a provincial question of financial embarrassment.

SOLVENT MUNICIPALITIES

LARGER Canadian municipalities might do well to look at the financial records of some of our smaller communities to find the results of sound finance. There are innumerable villages, townships, towns and cities of Canada, whose financing is carried on by local officials who claim no expert training in finance; and their records in many instances put to shame those of allegedly more advanced and enlightened governments in Canada.

The city of Red Deer, Alberta, which would be classed as a town in Ontario or Quebec, is one of these fortunate communities. The city's recently published financial statement for 1933 shows that the mill rate has been cut from 65 mills in 1922 to 44 mills in 1933. And in 1932 the rate had been 47 mills. Comparison of important statistics with those of 20 years ago shows the following improvement:

	1933	1913
City assessment	$1,374,650	$4,383,380
Population	2,344	2,118
Total tax levy	$59,833	$77,908
Debenture debt	$155,908	$352,145
Bank loan	......	$54,285
Cash surplus	$20,000	......

How it is done is shown by the fact that the five municipal budgets are in balance. Look at this:

	Receipts	Disbursements
General	$74,160	$62,282
Electric light	31,751	26,879
Waterworks	12,789	10,115
Hospital	15,428	14,437
Public schools	42,295	41,428
	$176,423	$155,141

Noteworthy is the fact that revenue for the general budget dropped over $13,000 between 1932 and 1933. But disbursements were reduced over $30,000.

The manager of the township of Hope, Ont., 65 miles east of Toronto, has just written to The Financial Post pointing out that the township is free of funded debt and bank loans. This, of course, is true of many small municipalities and even of some counties.

The reason for these examples of sound municipal finance is perhaps largely psychological. The governments being small, the administrators are closer to the sources of their revenue. They know it is their own money they are spending. In most of the larger Canadian governments and municipalities the fact that the people must ultimately pay the piper is lost to sight. If this fact were borne in mind by politicians and government officials, there would be a great deal less danger of governmental insolvency in Canada.

FUNCTION OF BUSINESS NEWSPAPERS

IN TORONTO the other day the director of dairying of the province of Ontario told a convention of creamery men that Ontario butter was below butter from the other provinces in quality. He told the creameries that they themselves were responsible for this condition; that instead of co-operating to get the grade up they were trying to devise means to beat the regulations in order to have their butter graded higher than it deserved.

This statement confirms what The Financial Post said some time ago about losses Canadian farmers were suffering for not co-operating to raise the standards of Canadian butter. The Financial Post reported that the maitre d'hotel of a leading Canadian hotel had declared that it was impossible to get good butter. When The Post mentioned this incident we were taken severely to task by the editor of a dairy paper who insisted that there must be a mistake, that Canadian butter was of the highest possible quality.

This editor was in the same class as the farmers who berate the government inspectors when their butter is given a low grade.

There are too many business paper editors who attempt to please their readers and advertisers; who coddle them in their weaknesses and short-comings instead of telling them the truth, pointing to weaknesses in their methods and giving courageous leadership in their field.

Canadian farm products will only win in world markets on a quality basis. Our wheat will eventually win through because of quality. Other farm products can gain substantial benefits from similar insistence upon high quality, proper grading, packing and sound merchandising. Business paper and farm paper editors can help.

THE RISING SUN

A WAR of commercial propaganda between Japan and Europe, particularly England, is being waged seriously. At the time the World Economic Conference was in session the Federation of British Industries made a vigorous onslaught on Japanese commercial methods charging the Japs with ruining British export markets by deliberate currency depreciation, by the illegal use of trade marks and British trade names, by paying slavishly low wages. Evidence was provided that Japanese goods are being laid down in London at prices that are an infinitesimal fraction of the costs of British manufacturers.

Japan has replied with similar propaganda. Numerous pamphlets, special editions of Tokyo newspapers, booklets, etc., have come to the office of The Financial Post to deny the allegations made against Japanese industry and the Japanese government. Nevertheless, the proof lies in the figures and Japan is gaining export markets while England and European countries are losing them. In the past two years Japanese exports of cotton piece goods have increased by 42 per cent while those of the British have fallen by 54 per cent. And the Rt. Hon. Walter Runciman, president of the Board of Trade, speaking in the House of Commons the other day, said that it might be necessary for the western world to stand together in a common economic cause since the whole western world was having considerable trouble with Japan as a competitor. From Rome comes the news that Mussolini is playing with the idea of attempting to unite Europe against Japan. The United States recognition of the Soviet is interpreted as likely to undermine Japanese commercial and military prestige.

Canadians, with their intense interest in export trade and their well-established industrial enterprise, must watch the developments with keen and pointed interest.

EDITORIAL NOTES

"R. B. Bennett's Variations Has First Hearing" says a headline in the New York Times. But the composer of this sweet music is another Bennett.

* * *

Reading about the scraps at the Montevideo conference leads to the conclusion that Canada is well out of the vacant chair in the Pan-American Union.

* * *

N.R.A. forbids advertising of a "free hat" with each suit or overcoat. Freewheeling is still permitted to be given with each purchase of a motor car.

* * *

The Punjab officials, who have expressed their apologies for executing a prisoner when a reprieve for him was lying unopened on the desk of the jail governor, are reminiscent of Charles E. Mitchell's sympathies for the investors in National City bank stock.

Post-Scripts

TO CANADIANS there is a refreshing atmosphere of romance in financial news from Great Britain. The world-wide spread of British investment interests differs from our more domesticated viewpoint.

A report by the chairman of a British company operating cocoanut and rubber plantations includes some illuminating remarks. The following is an example:

"The recent fall in the price of copra is most disappointing, but we must be thankful that cocoanuts have helped us nobly during the past few years, when rubber has been a drag on us, and it may now be that rubber will come to the rescue and aid us materially as it has done in the past."

From this it appears that a bounce in rubber may develop. And mention was completely lacking of Mr. Roosevelt's rubber dollar.

WE ARE entering the season of the year when the larger trust companies and banks are holding their annual meetings. A number of them pursue the practice of holding buffet luncheons following their meetings to which the shareholders in attendance as well as the leading customers and important financial and political leaders are invited.

To one of these came recently the president of a company that has had difficulty in repaying its bank advances. The company has really been managed by the officers on behalf of the bank and subject to their instructions.

There was then some point to the remark made by the president of the company as he left the dining room. He shook hands with the general manager of the bank and said "Thanks very much for inviting me to the employees' luncheon."

CANADIANS who visited the huge Ford plant at River Rouge, Detroit, last week saw sleek, green dump trucks going through the assembly lines. There seemed to be more dump trucks than sedans. It was explained that the trucks were required for the Civilian Conservation Corps of the United States Government. And behind the award of the contract to a Ford dealer in Washington there lay a story.

The U. S. Government insists upon getting the lowest possible price when it calls for tenders. The lowest price for trucks came from a Ford dealer. General Hugh S. Johnston, dictator of N. R. A., who has no love for Henry Ford, tried to keep the Ford Motor Company from getting the contract for the trucks. He pointed out that the dealer had violated the automobile retail code by bidding lower than the list price for Ford trucks but the War Department which was letting the contract did not like to be criticized for buying anything at too low a price. It finally awarded the contract for V-8 trucks to the Ford dealer and further orders for Fords seem to be pending.

Henry Ford is not talking about N. R. A. these days. Some of his visitors last week asked him questions but if they were about N. R. A. he did not answer them. By his side whenever he has visitors is William J. Cameron, his journalistic "man Friday," whose job it is, apparently, to keep Henry Ford from saying anything that may get him into hot water with the politicians or press. Ford thinks simply and speaks directly. He never beats around the bush but Ford officials seem to think that there are times when a little tact and diplomacy are necessary. So they try to keep Ford from being too blunt, from saying things just because he believes them.

Sayings of the Week

"Pies develop character and heart-burn."—*George Ade.*

* * *

"I don't make speeches; I make cars."—*Henry Ford.*

* * *

"Probably 1934 will be a year of slow progress toward material salvation but rapid progress in economic education."—*Col. Leonard P. Ayres.*

* * *

"In Britain we have passed into an entirely new economic system which may take a generation or more to work out."—*Rt. Hon. Stanley Baldwin.*

* * *

"There are no protectionists today who will declare that protection means no unemployment and tariff reform means work for all."—*Sir John Simon.*

* * *

"A dumb guy can discuss the currency question just as well as a smart guy, because neither of them knows anything about it."—*Will Rogers.*

* * *

"The physical necessity of poverty has been abolished on this continent. We should abolish the social and political necessity of it."—*Glenn Frank.*

* * *

"The Twenty-first Amendment repeals prohibition, but it does not repeal human nature."—*Robert R. Rau.*

* * *

"Bankers have enough to atone for without being held responsible for orgies of gambling on stock or commodity exchanges."—*W. W. Aldrich, chairman of the Chase National Bank.*

* * *

"If the present lottery law were strictly enforced in all cases, half the clergymen in the United Kingdom would have to be imprisoned tomorrow for their part in holding raffles."—*The Duke of Montrose.*

* * *

"Capitalism has built several well-known civilizations and the absence of capitalistic safeguards in the State has been synonymous with barbarism."—*Dr. Virgil Jordan, president of the U. S. National Industrial Conference Board.*

Duty Lies Before Business To Tell Its Story Frankly

Demand for Changes in Rules May be Dangerous if Based on Ignorance and Suspicion

By W. P. TUTTLE

"Business" always has been and always will be one of the primary activities of mankind. Whether it be under the despotism of ancient times, or the so-called capitalistic system, or the communistic, in any event, man will be trading, bartering, seeking to get what he wants by offering to another man some object which the other man desires more than that which he already possesses.

"Business" as such must always be regarded as fundamental. Only how it must be conducted and what constitute rules and regulations are to be considered.

No man is going to devote his time and thought to the invention of better methods of conducting business unless he is to be rewarded for it.

Rôle of Speculation

"Something for nothing," is immoral in itself, and those who exploit such a doctrine are in a parlous state. But there is the legitimate speculation whereby a man takes chances on making more money or losing what he ventures. Without venturing, the world's business never would be conducted at all. But the principle is not "Something for Nothing," but "More for Something."

Every time a marriage is contracted, or a house built, or a ship sent to sea there are definite ventures or speculations entered upon.

Self Improvement

Now, in Canada certain evolutions in business methods are in progress. Without improving business as other lines of endeavor are improved, business would not be abreast of the times.

It is always safer, however, to have the betterment come from within the circle than be forced from the outside upon the circle. Outside influences are apt to be ignorant attempts and experiments, rather than sound expressions of experienced business men.

Granted a safe and sure social and governmental foundation, business can expect and, in fact, should wish for continued improvement in methods.

But where social upheavals are in progress, no sure basis can be predicated upon which to lay business activities.

When the people of a country suddenly reverse all the rules, and declare that profits made under all the old rules must be confiscated, then all activities must cease until new rules are adopted under which business can again embark upon its regular and legitimate enterprises.

Old Rules Change

The adoption of new rules is accomplished sometimes by assuming that all the old rules are bad, deceitful and dishonest. We forget that what is called "dishonest" may not be so in itself, but that it is called so because it does not conform to the new rules about to be laid down.

The business morals of 1928 are not the morals of 1933. Men might be blamed today for doing what they would have been congratulated upon doing five years ago.

In the United States, with its whole governmental activity assuming new phases and new responsibilities, this change may be drastic and the results may be such as to require an entire new set of business rules by which business is to be governed.

For, social changes, change business rules, and affect the operation of the simplest bartering. In Canada we are more fortunate, for here the social and governmental structure is less likely to change so fundamentally and so rapidly.

Up to Business

Therefore, business will have a chance to put in its own improvements without having them forced upon it too quickly for its own good. Now it seems quite evident to me that many changes demanded by the forces of unrest and of criticism, are based upon the crass ignorance of the objectors and that this ignorance should be dispelled as rapidly as possible by business itself.

Many a man has been astonished at what his daily task really consists when he has tried to write it down in plain black and white. Small wonder that the common citizen cannot understand even a simple business when it is presented to him in the more or less involved statements of executives who have never analyzed their own business, nor touched pen to paper in describing anything since they wrote the valedictory in school years ago.

The few examples of dishonest practices are loudly exploited by the ignorant, while honest endeavor goes silently along and has no publicity.

Education as Duty

The education of the masses is the duty as well as the insurance of good business, insurance against the attacks of ignorance, political chicanery and selfish exploitation.

If the records of business could be spread cleanly and clearly before the world I believe that the citizens of the world would be amazed at the shining record of honest accomplishment that has been achieved by thousands of business men all over the land.

Business is not dishonest, it is not guilty. At the bar of public opinion there should be an exhibit of its fine performance set forth for the edification of men everywhere.

Being played by human hands there will be found mistakes, but on the whole a most creditable performance is being accomplished every day of every year. But business owes it to itself to tell its story. That it can do in its advertising.

Business can blame no one but itself if ignorance is allowed to threaten its foundations. It has the weapon of education in its hands.

New Books

"The Liberal Way"

A group of most valuable and interesting Canadian papers are brought together in "The Liberal Way," which is the record of proceedings of the first Liberal summer conference held at Port Hope in September last.

The volume is something of a publishing achievement since some 300 pages of material have been brought out in a cloth bound book to sell at the retail price of $1. The object of the conference was in the words of the prospectus, "the discussion of present day problems by liberal-minded men and women of all parties." The conference achieved its purpose admirably as a reading of the papers indicates. There is a goodly sprinkling of university men among the authors of the different papers but business men and politicians are likewise represented. The problems range over a wide field covering monetary and financial reform, industrial reconstruction, a plan for agriculture, constitutional reform, Canada's relationship with the outside world, and liberalism in the world crisis.

There is an introduction by Hon. Vincent Massey incorporating part of an address delivered by Mr. Massey, as chairman of the conference, at its opening session.

It is announced in the foreword that a second Liberal summer conference will be held in 1934 and it is stated that the conference will likely become a permanent annual institution. The meeting was a splendid adaption to Canadian conditions of a type of political education which is a familiar feature of British politics and the publication in permanent form of the various papers and addresses is an equally useful contribution.

"The Liberal Way" is published by J. M. Dent & Sons, Toronto, for the sponsors of the conference and is on sale in book stores at $1.

In the Mail

This Township Cannot Default

Editor, The Financial Post:

In the current number of The Financial Post, I note you report that North York has defaulted on its principal payments due on its debentures on the 1st inst., and your article goes on to say that Toronto is now practically surrounded with financially embarrassed municipalities.

It seems to me this is a sad commentary on the competence and business ability of the administrators respectively of these townships, and the only conclusion one can draw is that gross extravagance and mismanagement must have been the rule, and expenditures were allowed to substantially exceed receipts to such an extent that eventually the inevitable financial embarrassment occurred.

In contrast to this deplorable condition of affairs, I would like to cite the fact that the township of Hope, in which our town is situated, at the present time has no debenture debt of any kind and has no indebtedness whatever to a bank, which shows what can be done if conservative, business administrators are elected to manage the affairs of a municipality. That is the chief reason why the township of Hope finds itself in its present first class financial condition, which is all the more appreciated in contrast to the steadily increasing list of defaulting municipalities.

Walter J. Helm.

Port Hope, Dec. 8, 1933.

As Others See Us

Source of Easy Credit

Quebec Chronicle-Telegraph—The interest of the West in a central bank is precisely because it sees in such an institution a hopeful source of easy credit. And the government will have need of all its fortitude if it is to withstand the pressure that certainly will be brought to bear upon it along those lines. We reserve judgment but our spirit is one of no small apprehension.

Not Good, Not Bad

Edmonton Bulletin—A central bank is not necessarily good or necessarily bad. That depends upon what kind of a bank it is, who directs it, under what code of instructions, and with what objects in view. The outlook is that Canada will get a central bank when parliament meets again, and that it will be precisely the kind of a central bank the public do not want and will have no cause to welcome.

Bigger Booms, Bigger Crashes

American Banker: Canadian political parties thoroughly dissatisfied with their branch banking system, which has not made money easy enough for the expansionists and particularly for the agrarian interests, are planning to create a central bank which will run the credit of the country on the basis of political and social inspiration, as the Federal Reserve System has been run.

Branch banking has been successful in Canada because it has been good banking. The same adherence to conservative investment and self-liquidating lending policies would ensure the success of a small bank or a large one.

But its solvency has damned it. And Canada has decided to replace it with an institution whose policies will be easier, whose credits will be more accessible to illiquid borrowers, who have had little access to bank credit thus far in Canada.

The closer their new central bank approximates the Federal Reserve System the surer we can promise Canada greater booms than ever before in her history.

And greater crashes!

"Stop Me If You Have Heard This One"

A city man, seeking rest and relaxation at a country boarding house, found a hammock suspended between two trees, in a cool, shady spot, and stretched himself out for a nap. But the place was so infested by flies that he could not rest, and he went to the boarding house keeper to complain.

"What's the idea," he asked, "of putting a hammock in a place where the flies are so thick?"

"Oh," said the proprietor, "that hammock is for use only during hammock time."

"Hammock time? When is that?" he asked.

"From 12 to 2 o'clock. During those hours all the flies are in the dining room," replied mine host.

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Figures That Mislead

DON'T believe everything you read.

This week a marked copy of the December business review bulletin of Standard Statistics Co. was sent to us containing a chart purporting to compare employment in Canada and the United States. Twelve leading manufacturing groups were shown and the percentage gain in employment in each group from October, 1932, to October, 1933, was depicted for both countries. The U. S. gains were painted in big black strokes which ranged mostly from 25 to 50 per cent above the 1932 level. Only one showed a decline. The Canadian percentages were puny little things—none of them more than 6 per cent above the line and four of them below. "Look what N.R.A. has done for U. S. A." was in effect the proud boast of the statistical tale.

It would have been a nice story if it hadn't been absurdly wrong. The U. S. figures were all right but for Canada the statistician instead of comparing employment with the same month in 1932 had used instead the figures of the previous month in 1933. Thus for automobile employment instead of an actual gain for the period of 26 per cent, the chart showed a seasonal monthly decline for Canada of almost 10 per cent. This was the most glaring mistake but nearly all the other comparisons were similiarly distorted. In mining, for instance, if the proper Canadian figure were used the gain would actually have been greater than that in the United States.

* * *

Canada Actually Ahead

QUITE apart from this unfortunate mistake, the comparison—even if it were correct—would be misleading because actually employment in Canada is currently about 16 per cent higher than the corresponding figure in the United States. In other words the U. S. figures look spectacular when charted in this manner only because employment in October, 1932 had dipped below the 60 mark (1926 equals 100) and the recovery in the 12-month period brought the index up to 74. The Canadian employment figure on the same basis was 81.7 at November 1, 1932 and showed a small but healthy gain in the interim up to 86.5.

* * *

Maritimes Feeling Fine

FURTHER indication of the way in which the Maritimes are benefiting by the return of prosperity in the lumbering industry is seen in half a dozen news items appearing in New Brunswick papers recently. Thus from central New Brunswick comes the report that at least 1,000 men will be employed in logging operations there *this* winter—twice as many as last year. Similar news from Woodstock says Imperial Products Ltd. will cut 1,000,000 feet this winter. They did not send out a crew last year. J. Hay & Sons from the same area will cut 2,000,000 feet or twice last year's cut. Albert County is experiencing great activity in the woods, many operators cutting from 500,000 to 4,000,000 ft. The majority have not been operating extensively for some years.

Summing up, it is estimated that the potential value of the N. B. cut is up $2,500,000 over 1932 due to the improvement in sterling and a two to three fold increase in the lumber cut. This is causing an old time demand for axes, saws, and lumbering equipment, as supplies are low. Translated in terms of wages, John A. Sinclair, chairman of the N. B. Compensation Board, expects an increase of several million dollars in 1933 payrolls because of a 50 per cent increase in men employed and an increase in wages to men in the woods of from $5 to $10 a month. Payrolls in practically all lines show improvement, he says.

* * *

Judgment Reserved

WITH the tariff and customs administration at Ottawa about to undergo a "new deal," judgment will be reserved by Canadian business men in respect of the arbitrary and hampering ruling so prevalent in recent years.

It may have been merely a coincidence but it is none the less interesting that almost simultaneous with the retirement of Hon. E. B. Ryckman, there appeared from Ottawa in one day, more specific downward rulings in respect of tariff and customs items than has been seen for many a long day from Ottawa. One of these rulings had to do with the drawback on piston castings and piston ring castings. Another dealt with the preferential tariff on Seville oranges which were transferred to the free list under the intermediate tariff until April 1, 1934. A third announced lower tariff on wood used in the manufacture of baseball bats and the fourth covered iron and steel for the manufacture of disc wheels.

Although only small items, these seem to indicate more willingness to co-operate with manufacturers than has been shown in recent years.

Business Briefs

Portland cement shipments in September by Canadian producers totalled 424,710 bbls. compared with 449,309 bbls. in August and 511,897 bbls. in September, 1932. In the nine months ended September 30, 1933, sales totalled 2,377,379 bbls. or 37.6 per cent below the total for the same period in 1932.

Nickel exports in the 12 months ended October 31, amounted to 784,021 cwt. valued at $19,804,698 as compared with 336,408 cwt. valued at $7,739,346 in 1932. Exports were under the 1920 total of 973,622 cwt. valued at $21,914,729. Heaviest purchasers in the current year have been the United States, Great Britain, Netherlands and latterly, Norway.

Leather footwear produced in October showed the usual seasonal decline from September figures but, at 1,833,771 pairs, was 15 per cent more than production in October, 1932. Production for the 10 months ended October 31 was 16,905,234 pairs, an increase of 8.8 per cent over production in the corresponding period of 1932.

Retail Stores in Ontario in 1930 numbered 23,533 and did business in that year of $517,968,000 according to the Census of Merchandising and Service Establishments in 1931. Only 36 per cent of the stores did an entirely cash business, and accounted for only 22 per cent of the total retail business in the province.

Business Conditions in Canada

PLANS UNDER WAY FOR EXTENDING GERMAN TREATY

Temporary Pact May Now be Extended for a Year

From Our Own Correspondent

OTTAWA. — Negotiations for the extension of the German trade agreement, which will lapse on December 31, began at Ottawa this week.

Dr. Ludwig Kempf, consul-general for Germany, is acting for the Hitler Government, and officials of the Trade and Commerce Department are attending to the initial negotiations on behalf of the Bennett Government. The prospects are that the treaty will be renewed for one year.

This treaty was negotiated in the fall of 1932 and was put into effect for a period of three months on January 1, 1933. An extension from April 1 to the end of the year was agreed to in March and the proposal now is to continue the arrangement for another year. The treaty carries no special concessions but extends to Germany the Canadian intermediate tariff in return for the German conventional tariff.

The trade figures disclose that Canada has increased her exports to Germany under the treaty, while Germany has lost a little ground in the Canadian market. The gain in exports in the year ended October 31, last, was from $8,099,000 to $9,779,000, and the loss in imports was from $9,889,000 to $8,946,000. The gain in exports was chiefly in wheat and copper. The principal imports were dyeing and tanning materials and toys.

Being a temporary arrangement, Parliament has not been consulted. The treaty was brought into effect and maintained by order-in-council. Until a permanent arrangement is made, and of this there is as yet no indication, Parliament will not be consulted.

New Industries and Plant Extensions in Canada

Compiled Weekly By The Financial Post

The Bristol Co. of Canada, Ltd., recently incorporated Canadian subsidiary of The Bristol Co. of Waterbury, Conn., one of the world's leading manufacturers of recording instruments, has leased one floor of the building at 64 Princess St., Toronto, where it will manufacture for the Canadian market. The company expects to be in production here about January 1. The Bristol Company was founded nearly 45 years ago and its products, consisting of a wide variety of instruments for recording pressures and temperatures, are well known in many countries.

Griswold Manufacturing Co. of Erie, Pa., makers of waffle machines, toasters, grills and other cooking appliances and utensils, have completed negotiations for the assembling of a number of their products in Toronto for distribution in the Canadian market.

Hurlbut-Thompson, Ltd., has been formed in Toronto, with plant at 310 Spadina Avenue, where operations now are under way in the production of a line of ventilated cushion sole shoes for children. J. Laird Thompson is president of the new company and Clayton E. Hurlbut is secretary-treasurer and managing director.

Speerine Drug & Chemical Co. has been organized in Toronto and has purchased the building at 914 Dufferin Street, containing approximately 8,000 sq. ft. of floor space, which is now being equipped for the manufacture of cosmetics and other pharmaceutical products, with production to commence as soon as possible.

British Small Tool Manufacturers has been organized in Toronto to manufacture screwdrivers, chisels, pliers and wrenches in carbon steel and chrome vanadium and has taken over the plant of the Robertson Tool Company, 260 Avenue Rd., where the operations will be carried on.

Silverwoods Ltd. is planning to build a new plant next spring in London, Ont. The new building is designed to handle evaporated milk production and the manufacture of ice cream. Approximate size will be 50 feet by 100 feet and possibly three stories in height. Cost is estimated at $50,000.

Kellogg Manufacturing Co. has taken a lease on a plant in Niagara Falls, Ont. and will start manufacturing early in the new year. The company manufactures a full line of air compressors and paint spraying equipment. Head office of the company is in Rochester, N.Y., while sales office has been maintained in Toronto for some time.

J. A. Tumbler Laboratories of Canada Ltd. has leased 5,000 sq. ft. of floor space in Toronto to manufacture polishes, waxes and dressings for automobile and furniture uses. The Toronto plant will manufacture both for domestic and export trade. The parent company is in Baltimore, Md.

Establishment of a sugar beet refinery in Lambton County, Ont., by the fall of 1934 is forecast by a committee that has completed a study of the industry in that county.

Sun-tested Wallpapers Ltd., a recent addition to Toronto's industries, has increased its plant by 11,000 sq. ft., and now occupies the entire building at 1244 Dufferin St., containing a total of 35,000 sq. ft. The company is installing an additional wallpaper machine, which will increase the firm's output by 50 per cent. For some time, the factory staff has been working both day and night shifts, it is reported by the Toronto Industrial Commission.

The company was formed and commenced manufacturing during the past summer. It is affiliated with United Wallpaper Factories Inc., of the United States. H. C. Jarvis is president and general manager.

Erection of a $3,000,000 mill in Victoria, B.C., for the manufacture of rayon silk is contemplated by British industrialists, according to press reports. Representatives of London interests have been inspecting possible sites for the proposed plant which would use hemlock, spruce and larch to be brought from the west coast.

Sales By Food Chains Higher Than In 1932

Canadian Grocer Estimates Sales in West Due to Opening of New Units More Than Offset Drop of Chain Food Store Sales in Eastern Canada

Increase in the number of stores operated by chain grocery companies in western Canada has practically offset the decline in the number of stores operated by eastern chains according to a survey made by Canadian Grocer. This publication makes an annual estimate of the sales by grocery chains operating five or more units in Canada and the estimate for 1933 indicates that 1,480 stores in eastern Canada will sell $70,550,000 of groceries and meats in 1933 while 539 stores in western Canada will have sales of $21,600,000. The 1932 estimate indicated 1,563 eastern stores would have sales of $72,380,000 and 468 western units would sell $13,750,000 of groceries and meats.

While accurate figures are not available, the Canadian Grocer estimates that grocery sales in Canada will total $238,000,000 in 1933 of which the chain stores will sell $77,150,000. This would indicate that the chains handle only about one-third of the available grocery business and the remainder, possibly as much as 70 per cent, is handled by the independents. In the latter group are included the buying chains, units of which are individually owned.

Sales Higher in 1933

Comparison of 1933 and 1932 estimates made by Canadian Grocer indicate that some of the larger chains in eastern Canada have been showing sales declines while some of the newer companies have been increasing their business by increasing the number of stores operated. While the number of chain grocery store units remains practically unchanged the total of sales is estimated as some $6,000,000 higher. This increase is due to expansion of the chains in western Canada.

"The past year has seen some contraction by Eastern Canadian chains. Dominion Stores which is the largest grocery chain in Canada in point of numbers and sales, has more than 50 less stores in operation right now than a year ago. Their 1933 volume will likely show 10 or 12 per cent shrinkage due largely to this cause. The Loblaw chain has made but a slight increase in point of numbers but because of the addition of fresh meats in a large way in some of their stores will show only a small reduction in volume of dollar sales.

Reduce Number of Stores

No separate figures are published for Canada by the Great Atlantic & Pacific Tea Co. and it is impossible to present accurate figures for the Dominion, but based on percentage reduction as shown by the publication of figures for both the United States and Canada, their business will be down somewhat. They have, too, fewer stores in operation. It can also be assumed that the T. Eaton Co. operating more than 90 food stores will have a smaller volume. On the other hand Stop & Shop sales have been increasing, due largely to the result of new policies established two or three years ago. Thrift Stores with headquarters in Montreal and operating some 75 units have been more than holding their own, but some of the Maritime companies are showing increases due to some extent at least to an increase in the number of stores in operation. A year ago, there were eight or nine Sloan's Food Stores operating in Toronto but these have since been closed out.

More Competition

"Reference has been made in the past to new lines sold in chains with a view to increasing volume. Some of those that started out originally with groceries only have gone into fresh meats. Others have added cigarettes, cigars, safety razor blades, bath salts, cleansing tissues, bread, bakery products, tulip bulbs, motor oils, etc. The addition of such lines is due to the efforts on part of executives to hold up volume in the face of lower prices and reduced purchasing power.

"During the year in Eastern Canada, considerable competition has come from so-called 'warehouse' and 'super-markets.' Some of these are evidently making progress but it will be a year or two yet before one can definitely say that they have lit firmly on their feet. It will depend largely on management and on improving business. The warehouse type of store is designed to cut overhead to the bone by the elimination of the usual fixtures and the sale of goods on the self-serve plan from original cases. The large supermarket stores are designed to concentrate a wide variety of businesses under the one roof. Some of them sublet space to other merchants which means that the rent from these spaces, if it is of sufficient volume, may be used to reduce prices in the grocery department.

Taxes Are Higher

"Taxes have been a bugbear of chain stores, particularly in Ontario. Beginning with last year, each unit had to pay the Ontario Government a tax of $50 in addition to taxes on capital and profit. This has had some effect on reducing the number of units operated. There is no use paying the Government $50 unless the store makes money. This applies particularly to Dominion Stores and A. & P., which have closed out a number. The Loblaw Company continues second in volume in Eastern Canada, although as stated above, the A. & P. does not publish separate figures for the Dominion. The Loblaw Company continues to show the largest net profit per dollar sale which for their last fiscal year amounted to 7.9 per cent.

More Expansion in West

"In Western Canadian, Safeway stores heads the list of chains. This company now has 185 stores in operation and a fairly authoritative sales estimate for this year will be $9,000,000. During the past year there was an increase of 20 stores. This company owns Macdonalds Consolidated Ltd., wholesale grocers, with business being done through 29 branches. Piggly-Wiggly (Canada) Limited is the second largest western grocery chain. It has been operating 70 stores with sales this year estimated at $3,800,000. Several meat departments have recently been added in British Columbia and others are in the course of preparation. Among the other large Western chains are McBride's Limited, Jenkins Groceterias, O. K. Economy Stores, the T. Eaton Co., Neal Stores and several smaller ones in Vancouver and elsewhere. A good many of these have expanded during the past year, all of which accounts for a substantial increase shown in the estimated volume for 1933.

"But in spite of the rapid growth of chains in Canada in the past ten years, the independent stores including the groups continue to do nearly 70 per cent of the grocery business."

	Approx. No. of stores 1933	Estim. sales 1933 $	Approx. No. of stores 1932	Estim. sales 1932 $
Dominion Stores Ltd., Toronto, Montreal	510	20,000,000	567	22,600,000
Loblaw Groceterias, Toronto	110	13,800,000	108	14,200,000
Atlantic & Pacific Tea Co., Tor., Mont.	278	12,000,000	296	13,500,000
Stop & Shop, Toronto, Montreal	110	5,500,000	111	3,800,000
T. Eaton Co., Toronto Montreal, Halifax	76	4,500,000	94	5,500,000
Wm. Carroll Ltd., Hamilton	115	3,000,000	115	3,000,000
Thrift Stores, Montreal	75	4,500,000	69	......
M. & P. Stores, Windsor	65	2,000,000	66	2,000,000
Guy Stores, Quebec	35	550,000	30	600,000
Acadia Stores, Halifax	18	700,000	8	......
Haboco Stores, Peterborough	11	350,000	12	380,000
Thomson's Groceries, Toronto	11	300,000	11	300,000
Steinberg's, Montreal	10	1,100,000	8	700,000
Corkum & Ritcey, Halifax	10	350,000	8	300,000
Barker's Stores, New Glasgow, St. John	8	400,000	10	
Sterling Stores, Halifax	12		12	
Powell & Co., Dundas, Hamilton	8	1,500,000	7	
Mason Stores, Peterborough	7		9	1,500,000
Fitzpatrick & Geraghty, Peterborough	6		5	
Quality Groceterias, Hamilton	5		..	
Sloans Food Stores	..	......	9	
Yerxas, Wolfville, N.S.	..	......	8	
Total	1,480	70,550,000	1,563	72,380,000
Safeway Stores, Vancouver	185	9,000,000	140	5,000,000
Piggly-Wiggly, Vancouver	70	3,800,000	70	2,300,000
McBrides Ltd., Regina	65	2,000,000	50	1,300,000
Jenkins Groceterias, Calgary	36	1,400,000	49	1,200,000
O. K. Economy Stores, Saskatoon	36	1,400,000	36	1,000,000
T. Eaton Co., Winnipeg	15	1,000,000	..	......
Neal Stores, Winnipeg	27	550,000	22	500,000
Pay'n Takit & Overwaitea Ltd., Vancouver	20	450,000	..	......
London Grocery & Provision, Vancouver	12		10	
A. F. Wilbee & Co., Vancouver	12		10	
B. & K. Economy Stores, Vancouver	10		12	
Libin Stores, Calgary	10		8	
Leonard Batchelor, Victoria	10		5	
Jewel Stores, Winnipeg	7	2,000,000	..	1,950,000
Gust Stores, Medicine Hat	7		7	
Nu-way Stores, Edmonton	7		..	
Curry's Grocery, Vancouver	5		5	
Harry Tait, Edmonton	5		5	
Wallace Marketerias, Vancouver	..	......	5	
Total, Western Canada	539	21,600,000	468	13,750,000
Total, Eastern Canada	1,480	70,550,000	1,563	72,380,000
Total for Canada	2,019	92,150,000	2,031	86,130,000
Less: Fresh Meat Sales		15,000,000		14,000,000
Estimated Grocery Sales		77,150,000		72,130,000

Commodity Prices

Commodity Prices at Wholesale‡

	Week ending Dec. 9	Previous week	Same week last yr.
Cattle, cwt.§	$5.10	$5.25	$4.50
Copper, lb.	.08	.08	.05¼
Cotton, lb.	.1020	.1015	.0590
Rubber, lb.	.0875	.0920	.0325
Sugar, raw, lb.	.0330	.0315	.0290
Silk, lb.	1.47½	1.42½	1.62½
Wheat (Man.) bu.°	.61¼	.59⅛	.44½
Hides, lb.	.10½	.10½	.06
Coffee, lb.	.08⅛	.07½	.08¼

Weekly Indices♦

N. Y. Annalist■	102.3	101.9	86.9
Fishers'	71.7	71.4	†62.0
N. Y. Journal of Comm	71.6	70.3	56.9
Crumps (Brit.)	63.4	63.3	†62.4
Can. (D.B.S.)▲	85.3	83.5	
U. S. Labor•	71.0	71.7	64.0

†Average, 1932. •Nov. 25. ■Week to Dec. 5. §Dec. 7. ▲Dec. 2. °Dec. 11.

Monthly Indices♦

Canada (D.B.S.)	Latest w'sale	Prev. month	Same month last year
W'sale (Nov.)	68.7	67.9	...
Retail (Oct.)	77.9	78.8	81.4
U. S. Labor (Oct.)	71.2	70.8	64.4
Gt. Brit.* (Oct.)	69.2	69.6	68.2

♦N. Y. Annalist base, 1913, others 1926 = 100.

*Board of Trade Index, converted from 1913 base.

‡Basis of price quotations is as follows: cattle—steers, good, over 1,050 lbs., top price. Toronto: copper—electrolytic, New York; silk—Japanese, 13-15, New York: sugar—96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; coffee—Rio, No. 7, spot, New York.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1933	1932	Cumulative Jan. 1 to date 1933	1932
Transportation—				
Car loadings (Dec. 2)	42,426	44,492	1,888,783	2,044,298
C. P. R. gross earn. (Dec. 7)	$ 2,412,000	$ 2,363,000	$ 104,927,000	$ 114,377,000
C. N. R. gross earn. (Dec. 7)	$ 2,998,864	$ 2,892,563	$ 134,448,527	$ 146,220,347
	Monthly			
C. P. R. net earn. (Oct.)	$ 4,058,447	$ 3,923,573	$ 14,029,898	$ 14,454,943
C. N. R. net earn. (Oct.)	$ 2,542,586	$ 2,692,726	$ 3,449,958	$ 5,294,555
Iron and Steel—				
Pig iron, tons (Oct.)	27,002	6,731	160,872	102,950
Steel, tons (Oct.)	48,496	17,102	315,325	274,945
Automobile prod. No. (Oct.)	3,682	2,923	60,371	56,473
Auto Vehicles—				
Passenger, sales, No. (Oct.)	1,606	1,312	37,779	36,893
Trucks & buses, sales, No. (October)	496	412	5,271	6,748
Auto. exports, No. (Oct.)	2,952	2,462	17,457	10,404
Construction—				
Building permits (Oct.)	$ 1,762,947	$ 3,056,137	$ 17,888,459	$ 38,082,336
Contracts (November)	$ 10,637,200	$ 10,170,400	$ 89,082,200	$ 132,872,400
Newsprint—				
Production, tons (Oct.)	191,452	157,506	1,639,701	1,612,854
Exports, tons (Oct.)	171,946	148,934	1,490,170	1,536,197
Sugar—				
Imports, raw, lbs. (Oct.)	28,612,100	48,444,800	451,860,000	626,209,300
Melt. & ship., lbs.*	65,532,210	76,548,030	638,110,234	737,944,993
Manufactured, lbs.*	112,533,399	115,873,720	685,908,267	772,487,907
Flour—				
Production, bbls (Oct.)	1,650,557	1,721,598	11,088,837	11,512,521
Wheat flour exp., bbls. (Nov.)	547,602	576,864	4,671,953	4,639,758
Other Industrial Indices—				
Lumbering: Plank & board exports, mill. ft. (Oct.)	117.32	55.25	816.50	590.14
Boots and shoes, pr. (Oct.)	1,833,771	1,599,190	16,905,234	15,539,820
Petroleum, imp., crude gal. (October)	91,713,858	83,448,516	697,661,284	805,328,695
Cotton, imp., raw, lbs. (October)	12,288,000	7,029,000	80,837,192	68,161,000
Rubber, raw, imp. lbs. (Oct.)	5,780,000	2,704,000	34,419,451	41,177,675
Coal, imports, tons (Oct.)	1,210,691	1,331,774	9,153,690	9,271,596
Gasoline sales, gals. (Sept.)	61,620,000	63,441,000	379,947,000	389,889,000
Trade—				
Imports (October)	$ 41,089,424	$ 37,004,525	$ 322,194,364	$ 385,883,998
Exports (October)	$ 60,213,729	$ 56,626,095	$ 420,160,733	$ 405,248,525
Wheat exports, bus. (Nov.)	23,143,958	27,301,976	174,510,898	200,483,756
Labor—				
Employment Index (Oct.)	90.4	86.7	......	......
Electric Power—Output—				
M. Kilowatt hours (Oct.)	1,617,786	1,390,144	14,141,283	12,981,564
Finance—				
Failures, No. (September)	155	192	1,585	1,793
Failures, Liabilities (Sept.)	$ 2,344,568	$ 2,979,544	$ 26,347,327	$ 30,012,931
Bank debits (Oct.)†	$ 2,823,400	$ 2,367,200	$ 24,652,117	$ 21,293,389
Bond sales (Nov.)	$ 6,567,340	$ 1,093,500	$ 482,391,089	$ 374,328,358
Insurance sales (Oct.)	$ 31,253,000	$ 29,858,000	$ 292,370,000	$ 336,487,000
Automobile Financing—				
Used cars (October)	$ 663,722	$ 864,629	$ 9,154,966	$ 11,860,424
New cars (October)	$ 682,736	$ 722,756	$ 9,262,200	$ 11,729,662

*Four weeks period, Oct. 14 to Nov. 4. †(000's omitted).

BUILDING SHOWS SOME INCREASE IN NOVEMBER

Contracts Awarded Are 30.8 p.c. Under 1932 Level

Construction contracts awarded during November totalled $10,637,200 according to the Maclean Building Review. This compares with $10,170,400 in November, 1932 when one contract alone amounted to $2,559,000. This is the second consecutive month to show improvement over the corresponding month in 1932. Practically half of construction contracts awarded were on engineering projects with a total of $5,218,700, business construction accounted for $2,558,200, residential construction for $2,324,700 and industrial construction $535,600. Of the November total, Ontario accounted for 52 per cent, Quebec for 21.6 per cent, New Brunswick for 8.6 per cent, Nova Scotia and British Columbia, each accounted for slightly over 5 per cent, Alberta for 4 per cent and Saskatchewan and Manitoba each has slightly over 1 per cent.

Contracts awarded during the first 11 months of 1933, totalled $89,082,200 as compared with $128,692,300 in the corresponding period of 1932, a decline of 30.8 per cent. Contemplated new construction however, increased to $199,062,600, during the 11 months of 1933 as compared with $178,940,400 in the same period of 1932 and increase of 15.6 per cent.

Failures under the Bankruptcy Act as disclosed by the Canada Gazette for the week ending December 2, 1933, show a decrease of 29, the figures being: 1932—55, and 1933—26. Figures for the whole period of the year up to December 2 are: 1932—2,014, and 1933 — 1,411, a decrease of 603 or 29.9%.

Tariff Cut As Ottawa Housecleans

From Our Own Correspondent

OTTAWA.—Five reductions in tariff, put into force by order-in-council during the past ten days, are to assist manufacturing industries.

Officials of the National Revenue Department declared to The Post that the reductions have no general significance. They are not the forerunners of a general overhauling of the tariff and indicate no important change in policy.

The reductions affect hickory billets, discs for the making of motor wheels, Seville oranges, insulator cores and piston ring castings. All five are raw materials used by manufacturers and not one is available in Canada, with the possible exception of hickory billets.

The reductions have been sought by manufacturers for some months but the department did not act until Hon. E. B. Ryckman, the former minister, made a general clean-up of unfinished business prior to his retirement.

SEES NEAR END IN UNITED STATES TO DISTRESS GAS

Imperial Oil Refineries Writer Predicts Higher Levels South of Line

An early end to the era of distress gasoline in the United States is foreseen by J. R. Simpson, Imperial Oil Refineries, in the course of an article on "The Price of Crude Oil" in the current number of the Imperial Oil Review. He traces the course of crude oil from well to refinery, points out all the elements of quality and transportation and processing which enter into cost of completed products and concludes with these words reminiscent of gasoline inquiries past, present and to come:

"Soon the Canadian consumer, comparing prices here with prices in districts of the United States where bankruptcy methods have hitherto prevailed, will have evidence that in Canada he has consistently enjoyed a fair and equitable price for gasoline."

This article was evidently written after the price-fixing order by Harold A. Ickes, Secretary of the Interior for the United States, fixing a price of $1.11 per barrel for 36-gravity Mid-Continent Crude with differentials to govern prices of different products in different territories. Now Mr. Ickes has extended the period from December 1 to January 1 before price-fixing comes in but the information given by Mr. Simpson is still valid.

Mr. Simpson points out that the 24 operating refineries in Canada process 30,000,000 barrels crude oil annually and the annual Canadian crude oil production (1,583,327 barrels in 1931 and 1,056,344 barrels in 1932) would only supply 10 days requirements. Canada gets most of her crude oil from the United States and South America. This article concerns almost altogether the system for gathering and distributing crude oil through the 102,000 miles of pipe line in the United States and of delivering it where wanted.

There is a paragraph for the great East Texas finds which depressed prices to levels which prevented producers realizing enough to pay taxes. He says that Canadian refiners could not take advantage of these bankrupt prices because they have limited storage capacity and are forced to buy on a day-to-day basis and must have dependable sources of continuous supply.

Retail Sales Fail to Make Usual Seasonal Increase

Index numbers of retail sales issued by the Dominion Bureau of Statistics show a rise in the general index from 85.3 in September to 88.1 in October, a rise of 3.5 per cent, which appears to be less than seasonal. This compares with 83.6 and 91.8 for the same two months last year. There has been no correction for seasonal influences, nor is there any allowance for price changes.

Retail Sales Indices (1926 : 100)

	Oct. 1933	Sept. 1933	Oct. 1932
Boots & shoes	70.8	77.5	76.5
Candy	63.4	66.8	69.2
Clothing	98.8	77.2	91.6
Drugs	72.7	73.3	82.0
Dyers & cleaners	106.0	113.7	107.5
Furniture	55.5	57.8	61.5
Gen. & dept.	104.7	100.7	109.1
Groceries & meats	75.4	76.9	80.0
Hardware	100.3	104.3	103.2
Music & radio	29.0	29.2	40.8
Restaurants	56.4	58.6	60.0
General	88.1	85.3	91.8

JAMES W. SEWALL
Timber Cruises and Valuations
JAMES W. SEWALL
Old Town, Maine
PHILLIPS & BENNER
Ruttan Block, Port Arthur, Ont.

DUN & BRADSTREET OF CANADA LTD.
THE MERCANTILE AGENCY
Successors to
R. G. Dun & Co. — Established in Canada 1856
The Bradstreet Co. — Established in Canada 1872
CREDIT RATING BOOKS — FINANCIAL REPORTS
16 Offices in the Dominion

BOILERS
AIRCRAFT
MINING MACHINERY
STRUCTURAL STEEL
STEEL PLATE WORK
HYDRAULIC TURBINES
CONSTRUCTION EQUIPMENT
PULP AND PAPER MACHINERY
CANADIAN VICKERS LIMITED
Head Office: MONTREAL
Vancouver Edmonton Winnipeg Haileybury
New Glasgow, N.S.

The People of Canada enjoyed better health and had a lower deathrate during the year 1932 and in 1933 [up to the time this message went to press] than ever before in history

Keep up Momentum

WHEN you read that during many recent months, in spite of the financial depression, the Canadian people enjoyed better health and had a lower deathrate than ever before, you may wonder why. One outstanding reason is that our people were well prepared, physically, to resist sickness.

In past decades, millions of dollars were invested to prevent as well as to cure disease. They returned rich health dividends. The movement for healthier living conditions in all parts of the country had gained such momentum that temporary obstacles and difficulties failed to check it.

You know that the deathrate from tuberculosis has declined steadily. You know that smallpox, typhoid and diphtheria can be prevented. You hope to see the day when whooping cough, measles and scarlet fever will disappear, as yellow fever and cholera did—thanks to scientific preventive methods. Scientists are faithfully working day and night for these victories.

The lower deathrate is due in no small measure to the present efficiency of hospital and nursing services that have required years in which to develop. In assuring pure water, safe milk, clean food, swept streets and proper sewerage systems your Health Departments did their part in making health records in 1932 and 1933.

Some of the forces upon which the health of people depends are financed by Dominion, Provincial and local appropriations. But many of the forces which have contributed so greatly to general welfare—the Red Cross, the Tuberculosis Associations, the Victorian Order of Nurses, the Canadian Committee for Mental Hygiene, the Canadian Social Hygiene Council, and others — are largely dependent upon private contributions.

Today the forward health movement has been slowed down in some localities because of reduced appropriations and smaller contributions. In certain other communities some of the official health work has stopped.

While the people of our country are working shoulder to shoulder, collectively and individually, to restore material prosperity, no greater tragedy could befall them than to sacrifice their greatest wealth—their health. If you would have increasing health and decreasing disease, keep up the power and the momentum of the health movement.

METROPOLITAN LIFE INSURANCE COMPANY
FREDERICK H. ECKER, PRESIDENT

CANADIAN HEAD OFFICE OTTAWA
SERVING CANADA SINCE 1872

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
61 Years in Business
Capital $2,000,000—Reserve Fund $3,200,000
Make Mortgage Loans on Owners' Homes at reasonable rates of interest.
ARCHIBALD McPHERSON, President   T. H. MAIN, Manager

"MAKING YOUR WILL"

The series of eleven articles on Wills and Estates just concluded in The Financial Post have now been reprinted in book form, bearing the title, "Making Your Will."

32 Pages, 6" x 9"   Price 50 Cents

This new book tells in simple, non-technical language the points to be considered in making a will and includes useful discussions on Succession Duties and Trusts.

Everyone who possesses property — no matter what kind — life insurance, stocks, bonds, real estate — will be vitally interested in this ready reference on this important subject.

"Where there's a Will, there's a Way;" Where there's no Will, there's Delay.

Life insurance underwriters, trust company officers, will find this book invaluable in their service to their clients.

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Please send me postpaid .... copies of your book, "MAKING YOUR WILL," at 50 cents a copy. I enclose $.......... in payment.
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Address 398

Timberland Tax Mooted By Newfoundland Board

Royal Commission Surveys Position of I. P. and P. of Newfoundland and Anglo-Newfoundland Development — Propose Charge on Unworked Land

From Our Own Correspondent

MONTREAL.—International Power and Paper Co. of Newfoundland, subsidiary of Canadian International Paper Co., and Anglo-Newfoundland Development Co. will be affected by the findings of the Royal Commission investigating Newfoundland affairs if their recommendations as to timber limits are carried out.

The commission has recommended that all unworked timber lands, however held, should bear an annual tax of so much an acre, and that, in the event of the tax being in arrears and unpaid for six months, the license or lease should be cancelled and the land revert to the Crown.

Outlook For I. P. Unit

In commenting upon the present situation and outlook for International Power and Paper Co. of Newfoundland, the commission said, in part:

"The Newfoundland government has a twofold interest in the success of the company's undertaking. Not only is it concerned that the mill should utilize its great advantages by working to full capacity, thus giving the maximum amount of employment, on remunerative terms, to the people of Newfoundland; but it has a direct interest in that it has itself guaranteed, both as to interest and principal, a series of second mortgage bonds to the value of £2,000,000 and bearing interest at 5½ per cent. The present depression of the newsprint industry, and the effect which this has had on the operations of the Corner Brook mill, have, therefore, caused it serious anxiety

In Competitive Position

"Here it may be said that the mill, though burdened with heavy overhead charges, is recognized to be in a favorable competitive position. It is one of the most modern mills in the world, is well designed and solidly built and is equipped with the latest machinery. Its supplies both of timber and power are obtainable without difficulty. Apart, therefore, from overhead charges, its cost of production should be very low. Unlike Grand Falls, which was built nearly 20 years earlier, it is situated on the estuary of a river, which is open to navigation for the greater part of the year. The paper is thus loaded on to ships direct from the mill, and the company is saved the cost of transport to the sea which, in the case of inland mills, is an important item in cost. By operating its own steamers, the company is enabled to land its paper in New York and other ports in the United States at a minimum cost. In these circumstances there were not wanting those who contended that, even allowing for heavy overhead charges and for the present low price of paper, the mill should be capable of paying its way on a whole-time basis in competition with any other mill in the world.

Has Canadian Affiliations

"The mill at Corner Brook does not operate as an independent entity but is affiliated to three Canadian mills, those at Three Rivers and Gatineau, Quebec, owned by the Canadian International Paper Company, and the mill at Dalhousie owned by the New Brunswick International Paper Company. The orders received are distributed among the four mills and it was alleged before us that, as the mill at Corner Brook is the most modern of the four and therefore a low-cost producer, use is in fact being made of its superior productive capacity to assist the other three mills through the depression; in other words, that the profits made on the orders executed at Corner Brook, instead of being used to strengthen the position of the Newfoundland company, are in practice used as a subsidy to enable the three Canadian mills to keep open. The suggestion made was that, while the mill at Corner Brook was the mill at which orders could be most economically executed and, therefore, the most valuable asset in the partnership, yet it was naturally the object of the parent company to tide over the depression with all its assets unimpaired, and the fact that stock issued by the Newfoundland Company had been guaranteed by the United Kingdom and Newfoundland Governments respectively made it of less importance that its position should be strengthened than that the remaining assets of the partnership, viz., the three Canadian mills, should be preserved.

"On the other hand the evidence given by the representatives of the Newfoundland company, by those of the Canadian International Co. and by those of the parent company was to the effect that these various undertakings are going through a period of great difficulty and that it was their aim to secure a fair distribution of orders between the affiliated mills.

In Own Interest

"The fact that the Newfoundland Government has guaranteed £2,000,000 worth of stock makes it of special importance that all possible measures should be taken to facilitate the restoration of normal conditions at Corner Brook. The evidence submitted to us showed that there was no immediate danger of the government being called upon to implement its guarantee; but prospects for the future must depend largely on world conditions, of which no forecast can be given."

Outlook for English Firm

Anglo-Newfoundland Development's position also was treated in detail and as regards the outlook for this enterprise, the commission said:

"The paper produced at Grand Falls is used in England; the depreciation of sterling, therefore, placed the company at a serious disadvantage. Now that the value of sterling more nearly approximates to parity with the Canadian dollar, the economic position of the company has been improved. Elimination of oppressive overhead charges has been achieved by the recent reconstruction of the company on a new basis, and it may be expected that the recent rise in world commodity prices will extend also to the price of paper. These factors encourage the hope that the most difficult period at Grand Falls has been safely passed; and that, even if a general trade recovery should be delayed, the company will find itself able to embark on a policy of the gradual restoration of wages and contract rates to the levels formerly in operation."

DISTILLERS CORP. SECURE FOOTHOLD IN UNITED STATES

Take Over Rossville Union Distillery — Other Deals Pending

From Our Own Correspondent

MONTREAL.—Distillers Corp.-Seagrams have concluded a deal with the Rossville Union Distilleries Inc., of Lawrenceburg, Ind. By the transaction Distillers-Seagram received $2,400,000 in cash, approximately 400,000 gallons of spirits and the Rossville's plant at Lawrenceburg in exchange for 172,623 shares of Distillers-Seagrams stock which has a current market valuation of approximately $3,800,000.

Distillers-Seagrams had no distillery in the United States and acquisition of the Lawrenceburg plant will enable the company to use its large stock of aged whisky for blending with distilled products of the Lawrenceburg plant which has been operating under Government permit.

Other Deals Likely

It is understood that other deals are underway and that until they are out of the way the annual report will be somewhat delayed. The financial statement usually makes its appearance about this time of the year.

There has been no intimation of the trend of earnings of Distillers-Seagrams in the year ended July 31 last and in the intervening months. In the 1932 fiscal year net profits totalled $1,529,463. After taking care of senior obligations, the balance was equivalent to 67 cents a share. It is expected that revenue for the past year will be on a somewhat better scale.

ASSOC. BREWERY DECLARE DIVIDEND ON JUNIOR STOCK

Company's Interests Now Extend to Coast and Into Montana

From Our Own Correspondent

MONTREAL.—Earnings of Associated Breweries of Canada are reflected in a resumption of dividends on the common stock, the directors having declared a payment of 25 cents a share. This compares with the last dividend of 15 cents a share made on December 31, 1932.

Over the last two years Associated Breweries has greatly extended its field of operations. Under the original set-up the company secured control of breweries in Lethbridge, Edmonton, Regina and Prince Albert. Early last year the company made an investment in a brewery enterprise in Vancouver. Toward the end of 1932 the company, through a wholly-owned subsidiary, purchased jointly with an associate from Alberta, a controlling interest in two brewery plants in Great Falls, Ont.

Bigger Stake in States

About the middle of this year the company officially stated that its investments in United States breweries had been further increased. The company secured an interest in six breweries, particularly that of the Central Brewing Association, in Seattle.

Last year Associated Breweries earned 67 cents a share on its common stock and paid out 60 cents in dividends. In the previous year share earnings totalled $1.18 and dividends 80 cents. No particulars are available as to the trend of current earnings, though the size of the current dividend might indicate some contraction.

SUIT FOR MILLION BY PEERLESS CORP. AGAINST REDMOND

Brewery Project at Cleveland Will Be Proceeded With

The news of greatest interest to Canadians which emerges from the circumstances surrounding the court action being instituted by Peerless Corporation against Redmond & Co., members of the New York Stock Exchange, for refusing to take up shares which they had underwritten, is that Peerless Corp. is going right ahead with its plans for entering the brewery business at Cleveland in a large way in January, 1934.

Shareholders of Brewing Corp. of Canada, which holds some 25,000 shares of Peerless Corp., were somewhat exercised when news first came that refusal of Redmond & Co. was, as explained to the New York Stock Exchange, "on advice of their counsel, who were of the opinion that the corporation itself has no power to engage in the brewery business, and that it is therefore beyond its corporate powers to raise funds by the issue of additional stock for the purpose of financing a wholly-owned subsidiary corporation engaged in such business." They feared this ended a promising venture into the United States field.

Make Carling Brands

Peerless Corporation's remodelled plants at Cleveland are to brew the various types of export beers and ales which Carling's, London subsidiary of Brewing Corp. of Canada used to export to the United States, and act as United States distributor of Brewing Corp. exports. Carling was at the time such exports were permitted the largest exporter of beer from Canada, and Peerless Corporation's subsidiary, Brewing Corp. of America, will concentrate on these Carling lines which are already known in the United States. Brewing Corp. of Canada got 25,000 shares of Peerless Corp., formerly a motor car manufacturer, in exchange for its business and rights in the United States and for technical direction for five years.

Redmond & Co.'s action therefore at first sight looked to investors here like an end to the plan. Peerless Corp., besides giving 25,000 shares to Brewing Corp. of Canada for the rights and services mentioned, issued 92,348 shares of $3 par value of stock to be offered at $5 a share to stockholders for subscription at the rate of one share for each five shares held. Redmond & Co. underwrote the issue agreeing either to find purchasers or buy the balance not underwritten. Redmond & Co. were to get 50 cents a share for each share and Peerless was to get a net of $415,566, which was to be placed at the disposal of Brewing Corp. of America to increase plants of 150,000 barrels annual capacity to 200,000 barrels.

Redmond & Co. were eventually faced with the situation of taking 92,071 shares, the larger part of the issue. They refused for reasons given.

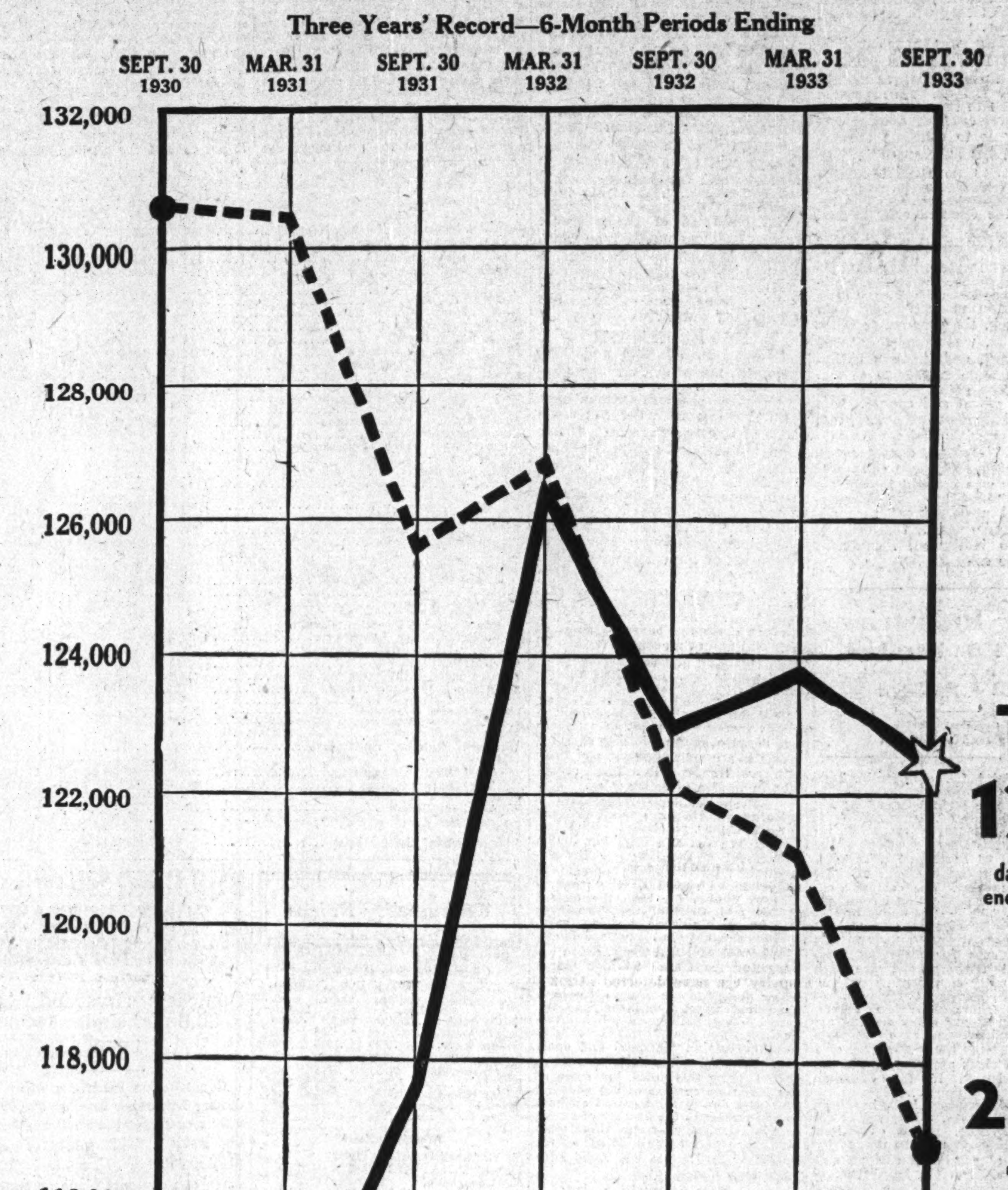
The Peerless Corp. replied to the action of Redmond & Co. by filing a notice of action at law for nearly one million dollars through its attorney, Max D. Steuer with the clerk of the Federal Court, against Redmond & Co. and all co-partners. The New York Stock Exchange was informed by the company that its counsel disagreed with counsel for the underwriters, that Redmond & Co. counsel had approved all documents relating to the validity of the issue and had been a director of Peerless from October 4 to November 24, approving all acts of the board in connection with the stock offering. Necessary authority for the issue had been obtained from Washington and there was no doubt in the minds of Peerless officials but that the company could go into the business. Brewing Corp. of Canada officials have also satisfied themselves that Peerless Corp. had all the powers necessary.

Peerless Corp. had strong working capital position on July 31, 1933, current assets being $608,352 and current liabilities $65,454. A stock sale last spring gave considerable money. It can therefore proceed with its plans unaided and on a larger scale still if the courts take the view that Redmond & Co. must do as it contracted to do. Edward P. Taylor, president and general manager of Brewing Corp. of Canada is president of Brewing Corp. of America and both Mr. Taylor and K. S. Barnes, another Canadian director, have gone on the board of Peerless Corp.

FORGING AHEAD

During the second half of 1932, The Star occupied first place in Toronto in city circulation, and as the chart graphically shows, has increased its lead until that lead in city circulation over the second Toronto paper now exceeds 5,000.

This chart shows only the city Circulation of these papers. The figures for their total Circulations are printed below in the box.



The Star
122,433
daily average for six months ending September 30th, 1933

2nd Paper
116,818
daily average for six months ending September 30th, 1933

TOTAL CIRCULATIONS
FOR ALL TORONTO PAPERS

Daily Star	211,647
2nd Paper	134,951
3rd Paper	110,758
4th Paper	83,811

All figures shown are those contained in Publishers' Statements to the Audit Bureau of Circulations.

Ask for the breakdown of circulations showing compar isons of all papers in cities of Ontario, towns of 5,000 to 10,000 and towns of 2,000 to 5,000 population.

The Toronto Daily Star

Montreal Office—J. B. Rathbone, Canada Cement Bldg.

B. C. MUNICIPALITIES SEEK FINANCIAL AID

Want Provincial Grants, Public Works and Relief Board

From Our Own Correspondent

VANCOUVER. — Municipalities of British Columbia have presented to the provincial government their petition for restoration of grants and other forms of financial assistance Premier Pattullo and other members of the cabinet made it pretty clear that the government simply has no resources with which to meet the increased demands.

The municipalities requested, in addition to restoration of the grants which were taken from them two years ago by the previous government, appointment of a public utilities commission, a programme of public works, controlled agricultural marketing, a commission to administer unemployment relief, and "the protection of industry from unjust exploitation by large corporations."

With part of this programme the government has already stated itself to be in complete agreement. It is pledged to appoint a public utilities commission, for instance, and it is also seeking co-operation of the federal government in launching public works to be paid for by money borrowed from Ottawa—without interest.

Creation of a new department with A. Wells Gray at its head, to take care of municipal affairs, is one assurance that the government means to co-operate with the municipalities. One argument made by the municipal representatives was that their taxing powers were confined almost exclusively to land, which is already overburdened. A more satisfactory division of revenue fields is being sought.

London Tourist Centre

Tourism is one of London's growing "invisible exports." The following is quoted in "The P. L. A. Monthly." "Increasingly this country is becoming the centre of the world's tourist traffic. It is true today that London, which for years lagged far behind the capitals of the world as a centre of tourism, is now head and shoulders above and has more to offer than any other capital."

London Port Busier

During the first nine months of 1933, over 126,000 tons more exports were shipped overseas through the Port of London than during the corresponding period of 1932.

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Directors Must Place Company Before Group

British Judge Gives Jail Term to Directors Who Placed Group Loyalty Above Duty to Individual Companies — Company Must Not Buy Its Own Common Stock

Directors and shareholders of holding and subsidiary Canadian companies and members of groups with widely varied financial interests, should ponder well the jury's findings and Mr. Justice Macnaghten's summing-up in the Harman trial at the Old Bailey, in London, Eng. Jail terms were given to the two principal directors in this case because they neglected their strict duty to consider the interests of each company separately. Martin Coles Harman, in framing financial policies, regarded his companies as a group and took whatever seemed to him to be the most promising means to bring his group through its difficulties without discriminating sufficiently between the separate interests and expectations of the shareholders in the separate companies.

Group Interests Second

The answer of the law, as shown by this case, is that group difficulties do not justify any departure from the strict standard of directors' responsibilities to their own shareholders. Where the total interests of a group conflict at all with those of the shareholders of any individual company, group interest must be rigorously sacrificed.

The judge also regarded the device whereby a subsidiary company bought the shares of a holding company from the Harman group at a high price as a transaction which would probably be regarded by the court "as a glaring and unsuccessful attempt to evade the obligations of the law, forbidding a company to buy its own shares."

Many points of great interest to investors generally throughout the British Empire were brought out in the course of this trial.

History of Company Legislation

The remarks of Mr. Justice Macnaghten in the course of his summing up included a statement of wide interest as to why companies cannot buy their own shares. As reported in The Financial News of November 16, he gave the reasons as follows:

"It might be useful for the jury to understand why a company could not buy its own shares. Down to about 100 years ago almost the whole of the trade and commerce of Great Britain was conducted by private firms. There were, of course, the great corporations like the East India Company and the Hudson's Bay Company, and at that time the railway companies, the statutory companies and the canal companies were coming into existence.

"The great bulk of business in the City of London was conducted by private firms, but it had been realized what an enormous advantage it would be if business could be conducted by a joint stock enterprise in which a number of small people could put their money together with the object of carrying on a joint undertaking.

"From 1827 down to 1862, Parliament was from time to time trying to devise means whereby it would be possible to arrange that that desire for joint-stock enterprise could be given effect to without risk or danger. The danger which presented itself to the legislature was that, in joint-stock enterprises, the people who joined did not want to be liable for the whole of the obligations of the undertaking.

Act of 1862

"It was recognized that it would be a terrible thing if a person with small means subscribed £100 to a joint enterprise and found himself saddled with liabilities of £500,000, which the company had entered into. That was the difficulty. Various attempts were made, which were not satisfactory, and were superseded by an Act of Parliament passed in 1862.

"That Act, more fortunate than its predecessors, proved completely successful, and the Companies Act as it existed today was, in the main, the measure passed in 1862. The object of the Act of 1862 was that it gave liberty to the formation of a company limited by shares.

"It was necessary to say what the capital was. The capital had to be divided into shares, and every person who subscribed for a share had to pay for it in full. When once the share had been paid for in full, it could be transferred as a fully-paid share, and there was no further liability. What Parliament laid down was that the share must be paid for in full, and that was the limit of the liability.

"A company might have a capital of £500,000, and if the management were at liberty when they got their capital to pay away £250,000 in buying up their own shares, the result would be that the capital was reduced to £250,000, and the funds which Parliament intended should always be available to meet the claims of the creditors would be to that extent depleted.

"That was the reason why a company, limited by shares, could not expend any of its own money in the purchase of its own shares. Everybody knew that a company could not buy its own shares, and it could not give money to anybody else to buy its shares. A suggestion had been made that a company could form a subsidiary to buy its shares. His Lordship thought that such a thing would probably be a transaction which the Court would regard as a glaring and unsuccessful attempt to evade the obligations of the law.

Praised the Auditors

The judge praised the auditors in this case, saying they had acted in a manner worthy of the profession to which they belonged. On the position and duties of auditors the judge had the following to say:

"An auditor was not the servant of the directors. His duty was to the shareholders, and he had to see that they were, so far as he was able, told the truth. The integrity of the management of a company depended to a great extent on and was secured by the high character of the professional gentlemen who were qualified auditors in this country.

"An auditor had a difficult task to perform, because, although he was elected by the shareholders, and not by the directors, the latter were the people who managed the company, and if there was anything to conceal, the directors were not too anxious to make an unpleasant disclosure. The auditor had got a difficult task of deciding to what extent and in what form his certificate should go, and what facts he should insist upon being made plain to the shareholders."

In his concluding remarks the judge reiterated his view that if a company dealt in its own shares the practice was open to the gravest mischief. If the directors of a company could sell shares when they thought the price was up, and buy them when they were cheap, shareholders who were not in the "know" would be at a considerable disadvantage. Purchasing through a subsidiary was exactly the same thing as if the holding company had got the shares itself.

Can Group be Audited?

After devoting a page to the conclusions in this trial the Evening News had a strong leading article which concluded as follows:

"The auditors of the company took an honorable and impeccable course throughout. No omission on their part contributed to any loss which the shareholders may have suffered. On the other hand, the case indirectly supports the plea often put forward that, wherever it is possible (and in this case it would not actually have been possible), the accounts of all interlocking companies should be audited by the same firm of accountants. The shareholder cannot expect the auditor to play his full part when he is only permitted to see the position from one angle. The Chosen trial, however, did no more than illustrate that a group transaction cannot appear in its true light except when seen through the eyes of every group member."

Enquiries

Canada Bud

There are rumors here that the above company will not pay their next dividend, which is generally paid in January. Would it be possible for you to inform us to that effect.

The directors of Canada Bud Ltd. will meet during the third week of December, at which time the policy on the next quarterly dividend will be decided. Executives of the company decline to commit themselves at the present time, although rumors have been current for some time that the next dividend may not be paid.

The market for the company's stock has been rather weak in recent weeks, presumably on account of the rumors that have been prevalent. In the ten months ended Oct. 1, shipments by Ontario breweries have been 12 per cent under the total in the same period of 1932 and we have no reason to believe that the experience of Canada Bud has been better than the average. Such a drop in sales would have a greater effect upon profits but whether or not profits would be reduced below the amount paid out in dividends, in the current year, we are unable to say at this time.

Canada's Note Issue

What are the different acts relating to the issue of money in Canada? When were these passed? What is the present gold content of the dollar? How low can the gold content of the Canadian dollar go according to the statutes?

The recent report of the Royal Commission on Banking and Currency lists the existing legislation regarding the issue of Dominion Notes on page 40 as follows:

$50,000,000 may be issued against a reserve of 25 per cent, or $12,500,000 in gold under the Dominion Note Act, R.S.C. Chapter 41. $26,000,000 of notes were issued during the war for special purposes against $16,000,000 of which specified railway securities guaranteed by the Dominion are held. Authority can be found in the statutes of Canada 1915, Chapter 4. In an act respecting the issue of Dominion notes. Dominion notes may also be issued under the Finance Act, R.S.C. Chapter 70, 1927, to the chartered banks against such securities as are specified in the Finance Act. Such securities include government securities, Canadian municipal securities, promissory notes and bills of exchange secured by documentary title to grain, etc., and promissory notes and bills of exchange or drawn for agricultural, industrial or commercial purposes. You will note that no gold reserve is required for notes issued under the last two named acts. With respect to notes issued under the Dominion Notes Act there must be a reserve of 25 per cent in gold for the first $50,000,000 issued and any further note issued must be covered dollar for dollar, by gold.

There is no legal requirement for gold in our chartered banking system and the banks may issue their own notes throughout the year up to the amount of their paid up capital and reserve. In addition, from September 1 to February 28 the banks may issue excess circulation to the amount of 15 per cent of their combined capital and reserve funds. Further issues may be made during the year by depositing dollar for dollar in gold or Dominion notes in the central gold reserve. Such Dominion notes can be borrowed under the Finance Act. By reason of the existence of the Finance Act, it is evident that both Dominion notes and bank notes circulation may expand or contract without reference to the supply of gold in the country.

As at September 30, 1933, there were Dominion notes outstanding to the amount of $178,147,730.69. Of this amount, $26,000,000 was issued on the authority of the 1915 act, representing the issue of Dominion notes and $40,744,000 represented notes issued on the authority of the Finance Act R.S. 1927, Chapter 70. No gold coverage was necessary for these notes. In addition, there was $106,403,730.69 issued under the authority of the Dominion Note Act, R.S., 1927, Chapter 44, for which gold was held by the Minister of Finance to the amount of $68,903,730.69. In addition there was held in excess of statutory requirements, $706,360.86 in gold.

Choosing a Trust Company

Could you give me some Trust Company, who would act as executor of the will of my husband? As it stands now, I am the executor of the estate and through deafness I find it a handicap to carry on.

This estate consists of a block of land cut up in lots. Would they pay the debts against it, and when it is sold I would pay them back? Owing to conditions I cannot sell now, although the property is valuable in normal times.

In choosing a trust company to act as co-executor of the estate of your late husband, we should think that you would get the best service by choosing the trust company most familiar with the real estate problems involved in marketing the land which forms a part of the estate. You do not mention the location of this land and we are, therefore, unable to suggest the name of a trust company.

If the amount in the estate was large enough and it appeared that the land could be sold in the not too distant future you might be able to secure a loan from a trust company. This, however, is largely a matter of the security involved and the policy of the individual trust company.

Canadian Car

Would you be good enough to let me know what the prospects are of Canadian Car continuing to pay dividends on its preferred stock? How does this company stand in the industry and what are its prospects?

Directors of Canadian Car and Foundry Co. have deferred action on the dividend for the preferred stock. The strong liquid position shown by the company in 1929 and 1930 reports has weakened to such an extent that it was necessary for the directors to conserve the company's liquid resources until such time as there is a more definite pick-up in business.

Canadian Car, which is the largest operator in its field, depends on the railways for the greater part of its business. Neither the Canadian National nor the Canadian Pacific Railway are in a financial position to undertake the purchase of any large amount of rolling stock. Near term prospects are not too favorable for the resumption of railway buying and Canadian Car and other rolling stock equipment manufacturers must await a return of larger railway earnings before they can expect business from their two principal customers.

Blue Ribbon

Kindly give me the following information regarding the Blue Ribbon Corp. common and preferred shares:

What is the par value? What dividend, if any, is being paid? If none, when was the last dividend paid? How and when are dividends payable? What is the present market value? What were the "highs" and "lows" since December 1, 1932.

As at June 30, 1933, Blue Ribbon Corporation had outstanding $1,439,750 of 6½ per cent preferred stock of $50 par value per share. There were also outstanding 63,475 shares of no par value common stock.

Dividends are being paid on the preferred stock quarterly at the rate of $2 per share per annum. The last payment was made November 1, 1933, to shareholders of record October 25, 1933. Preferred dividends are payable February, May, August and November 1 to shareholders of record approximately January, April, July and October 15. Last dividend on the common stock was paid November 2, 1931. Dividends would be paid by cheque to registered shareholders.

On November 21 the market on the preferred stock was 22¼ bid, 23 asked and on the common stock 2¾ bid and 3½ asked. Both stocks are listed on the Toronto Stock Exchange. The preferred stock sold at a high for 1933 of $23 per share in October and sold as low as $11 last March. The common stock sold as low as $1 per share in April and reached a high of $6 per share in June.

Imperial Oil

Please give me full details about Imperial Oil. I am holding. Shall I keep on holding this stock?

You wish to know whether you should hold Imperial Oil common stock or sell. The arguments for selling are that in the last four years the company has earned less in each succeeding year on the common stock and that in 1932 its earnings had declined to 55c. a share, whereas the dividend is 50c. a share. About 60 per cent of this dividend is earned outside of Canada and most of it comes to Imperial Oil from the dividend of $1 a share paid on its holdings of stock in International Petroleum. Whether or not that dividend of International Petroleum has been earned by the company is not known because it does not publish its financial statement. It has made very large earnings through its whole career, but with the low prices obtainable within the last few years it is difficult to state whether it has shown profits sufficient to pay the dividend or not. Actual quantity of its output has remained steady.

The favorable side of the picture is that this company is the leader in the oil industry in Canada, that it has a very strong financial position and that it has experienced management linked with some of the largest companies in the world. Its parent company is Standard Oil, of New Jersey, which is generally regarded as the leading oil company of the world. As world conditions in the oil industry improve, the position of this company would improve through larger amounts being received by International Petroleum. In a time of prosperity this company would have its best opportunity because in that time ownership of motor cars and use of motor cars expands and as well there is greater demand for oil products on farms and seas and in the air.

Gatineau Power

What do you think of the securities of Canadian Hydro Electric Corp., or Gatineau Power? Do you think a small investment in either one of these companies would be safe?

In thinking of making a commitment in the securities of Canadian Hydro-Electric Corp. or the Gatineau Power Co., perhaps you have considered the first mortgage bonds of the operating company, namely, Gatineau Power. Gatineau 6's represent a second charge upon earnings of the operating company, while Canadian Hydro-Electric first preferred is a third charge upon earnings. The sounder security, therefore, is the Gatineau Power 5 per cent first mortgage bond. Interest on this security has been, and continues to be earned by a comfortable margin.

Canada Steamships

I would appreciate your letting me know the market value on the securities of Canada Steamship Lines, I find it difficult to understand why they should be selling at such a heavy discount.

The current market value of Canada Steamship Lines securities is roughly as follows: Common-stock, 50 cents to $1; preferred stock, $2; general mortgage bonds, $17 to $19 and first mortgage bonds, around $64.

The low value attaching to these securities is, of course, a reflection of the fact that in the last few years the company has suffered heavy losses and lately has been unable to meet interest payments on its general mortgage bonds. Conditions, over which the company has little control, have made it difficult for Canada Steamship Lines to meet its obligations. A short time ago a bondholders' protective committee was organized and an investigation instituted to see in what manner the company's affairs could be improved. So far the committee has been informing itself on general operations and it will likely be next spring before a report is made to the bondholders.

Mining Enquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance enquiries on sheets separate from mining enquiries. No answers can be given by telephone or telegram.

Delta Mines

In a recent edition you gave the Delta Mines a very discouraging write-up. Now I understand from what I consider a very reliable source that this property has proven up to be very rich and a number of satisfactory tests have been carried out at the University of Toronto. In fairness to the syndicate, give them a decent write-up in your paper and help them instead of knocking them. I am sure any information you may require can be secured at the syndicate office.

We can only think that your informant regarding the affairs of Delta Mines is not possessed of the facts. Whatever test the University of Toronto might make on ore from the company's property has absolutely no bearing on the profit possibilities of the company. On many properties it is quite possible to obtain samples of ore that give high assays and yet they mean absolutely nothing as far as commercial possibilities are concerned.

Our only desire is to inform the investing public of the true conditions of any property and in this instance we were provided with confidential records which we consider contain the best information available. The action of the sponsors of the company and the information given to shareholders do not give a true picture of its affairs. The company is not financed to go ahead with production and has no ore developed for commercial production if it was financed. It is true that various metals have been found but the high assays reported mean absolutely nothing as far as commercial ore is concerned.

Ridgedome Mines

A few years ago I was induced to invest in Quartz Lake Mines and later transferred that stock into the Ridgedome Mines Ltd. upon the advice of some financial parties. The whole thing looks more or less doubtful to me, at the same time it may have possibilities.

I am now sending you enclosed a letter which I have just received from the Ridgedome Mines Ltd. It looks to me like a shrewd way of securing further money from their stockholders. However, I would ask your advice what to do about it. If I refuse to change my present Ridgedome Mines Ltd., together with 25 cents, for the proposed company of Ridgedome Gold Mines, will I lose any rights which I may now possess in the Ridgedome Mines?

The revamping of the name and capital structure of Ridgedome Mines and the demanding of further cash with the exchange sounds very much like a reloading proposition. If, as the circular states, the new company is a change of name and the old charter has been retained, we fail to see how they can debar you from exchanging your present holdings on basis however small into the shares of the new company. The offers of rights must be considered as simply so much bait.

The company has never demonstrated importance and has been reincarnated under various names.

Kirkland Lake Gold Mining Co.

What are the prospects for Kirkland Lake Gold Mining Co.? Are they likely to pay dividends in the near future?

There is no likelihood of Kirkland Lake Gold Mining Co. paying dividends in the near future. Operations are well directed and interesting and are meeting all exploration and development expenses, but are not sufficiently profitable to permit the company considering dividends. The company is now working at over a mile depth, and while it meets with intermittent success it is difficult to see how it is possible to show earnings that would warrant dividends. The company owns an option on control of Kenty Gold Mines, an interesting property under development in the Swayze area which improves considerably the outlook of the company.

Mandy Mines

I hold 300 shares in Mandy Mines bought at $1.50 and note they have been quoted at 7 to 9 cents for many months past. I can afford to leave them if there is a reasonable chance of their recovery. What do you think?

Interest in Mandy Mines is at low ebb, which accounts for the shares selling at the present low figure. The chaotic state of the copper industry in general does not add to the attractiveness of copper prospects and since Mandy Mines has had its known high grade ore mined some 15 years ago it must be considered a prospect only, with no indication that there is an extension of the high grade previously mined. Given an improvement in the copper situation in general it might be expected that interest in Mandy would revive.

Wright Hargreaves Mines

Will you kindly favor me with your opinion of Wright - Hargreaves shares? Is there any particular reason for the sharp drop in the market recently? Do you think they will come up again in the near future?

The current weakness in Wright-Hargreaves shares cannot be attributed to any physical developments at the property. On the contrary, the mine never looked better, and this month the capacity is being stepped up from 800 to 1,000 tons daily with a further increase in gold output, which should reflect in increased earnings. The weakness doubtless is in sympathy with all the gold stocks due to the uncertainty for the price of gold. Most of the dividend-payers have been discounting anticipated earnings.

As Others See Us

A Poor Policy

Moncton Transcript. — Canadians listening on the radio a few nights ago heard Premier Bennett, in a political speech, make a bitter attack upon The Financial Post.

In a scathing article The Post declares Mr. Bennett's remarks are "false and untrue in every particular."

A few days ago, Mr. Bennett needlessly invited a great deal of criticism because of silly remarks regarding the editors of newspapers, much biting comment being made upon his childish procedure by writers who are supporters of the Conservative party.

This sort of thing is not getting Mr. Bennett anywhere. It would seem, as The Post says, that it is impairing his usefulness in the country.

At Loggerheads

Sackville Tribune. — On the front page of The Financial Post, of November 18, nearly two columns are devoted to "Mr. Bennett's Attack on The Financial Post." It seems that Premier Bennett criticized The Post in a radio speech recently with the result that he was answered in kind and "then some."

In a caustic article, which is far more severe than anything that has ever appeared in The Sackville Tribune, The Financial Post lashes out with a vehemence that is most surprising in view of its being published in "Tory Toronto."

Well, well, well! Looks to me like a slight difference of opinion between Premier Bennett and The Financial Post; what do Tribune readers think about it?

The Post and Its Alibi

Stratford-Beacon Herald.—There is a nice little war on between Premier Bennett and The Financial Post of Toronto. In a recent address Mr. Bennett is reported "to have lashed out in a bitter attack on The Financial Post of Toronto and its Ottawa correspondent."

The Post uses its front page to deal with the matter.

Judged by the yardstick of court tactics it does look as though The Post had an airtight alibi.

Judged from this distance it looks as though Mr. Bennett had hardly succeeded in getting down to first base on that clout.

Mr. Bennett's Attack

Moose Jaw Times. — The press of Canada aims to be worthy of the confidence and trust of the people; and the people expect both the newspapers and the Premier to serve them worthily. When the Prime Minister makes an unjustifiable attack on outstanding newspapers it is not a "personal" matter but, as The Financial Post suggests, a matter of first importance; and when he resorts to his hour on the air to launch such partizan political propaganda, the press must needs let its readers know the truth.

Other People's Views

War Debts

London Times: The whole crazy gigantic structure of war debts, after distorting the international monetary system and plunging the whole world into depression, is now collapsing under its own weight. A realistic settlement providing for the burial of the debris is an indispensable preliminary to the restoration of a stable international monetary standard with all that stability in currency exchanges means for the revival of international trade.

Trumpeters of Retreat

Winnipeg Free Press.—Canada is trained, equipped and skilled in wheat production. She has the men, and the means, and the land. She can do it. And the world needs her wheat. The situation in Europe is unnatural. Economics are standing on their head, and will presently either seek a more natural posture or the countries will have a smash-up, in which event other forces will take charge. Given a continuance of peace, however, people are not permanently going to eat poor bread when they can have good bread at half price. That is certain, too. But the cry today is for quotas, control boards, limitations, marketing schemes and the general apparatus of stagnation and stoppage. No doubt their advocates mean well, but the application of their ideas for a few years will solve Canada's wheat problem by depopulating half the prairies. And that, in its way, would be an amazing achievement, too.

Town Act is Ambiguous

Hardware and Metal, Toronto. — The courts in Alberta recently heard an application brought to unseat a retailer from his place as a member of a town council. The action was brought on the basis that this merchant had sold paint to the town for painting the town hall. The case was finally dismissed with each side paying his own costs. The case was an important one and occupied a two-day session of the court. The solicitor for the retailer pointed out that all previous councillors in that town had sold goods to the town. He also made the point that municipal councillors did the same in other parts of the province and in other provinces. He pointed out to the judge that small towns would be unable to carry on unless men actively participated as members of councils and that in many cases such retailers were the logical source for the purchase of materials carried by them when they were needed by the town.

Of course, the object of the Act is that a tradesman who is a councillor will be prevented from grafting. In so far as the Act leaves disposition of such cases to the discretion of the judge, this might be considered a good precautionary piece of legislation. On the other hand it leaves the councillor in the position of having to defend himself against anyone who brings a charge, involving rather distasteful suggestions even if he is finally cleared. Should the law be left in this form that a councillor is subjected to the expense of defending these actions in court? In connection with pending amendments to the Town Act this situation might deserve consideration. In its present form the Act is rather ambiguous.

M.Y.&S.

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Jackson Dodds Faces Big Tasks As Head of Bankers' Association

Experience in Banking, War and Sports Contribute To All-round Development of Bank of Montreal Executive

By JOHN LANGDON

Two major matters face Canada's chartered banks over the next twelve months—establishment of a central bank and revision of the Bank Act. To the chartered banks the changes in the act and the powers granted to the new institution, will be matters of more than passing importance. Looking after their interests will be Jackson Dodds, joint general manager of the Bank of Montreal and recently elected president of the Canadian Bankers' Association. In his latter capacity he will be called upon to take an outstanding part in the determination of policies which will have an important bearing on banking and finance in this country over the next ten years.

Fifteen years ago Mr. Dodds was virtually a stranger to the Canadian public and little known in banking circles. He is quite unlike the popular idea of a banking executive. Athletic in build, clear cut features, and of softly modulated voice, he is representative of the new type of banker that has grown up in recent years. Banking is his profession, but a variety of outside interests and a wealth of experience fit him for the tasks which come to one of the active heads of Canada's largest bank and as president of the association which speaks for the chartered institutions.

In Canada Before War

Jackson Dodds belongs to that large group of Britishers who hold a prominent place in the Canadian banking fraternity. He first saw the light of day in London, 52 years ago. After leaving school he served four years with the Comptoir Nationale d'Escompte de Paris in its London agency. Then he became associated with the old Bank of British North America. With this bank he saw service in Halifax, Montreal, Ottawa, Brandon, Vancouver and other points. Back to England he went in 1911 as assistant secretary and two years later became secretary.

Enlisted as "Private"

This ends the first stage of his advancement to the front in Canadian banking circles. In the next four years he served on another front—with the British Army in France. At the outbreak of war he declared a "moratorium" on banking. He enlisted as a "private" in the Honorable Artillery Company of London, said to be the oldest volunteer unit in the world. It dates from 1537 when Henry VIII, whose claim to fame was marital and not martial, granted a charter to the "Fraternity or Guylde of Saint George: Maisters and Rulars of the said Science of Artillary as Aforesaid Rehearsed for Long-Bowes, Cross-Bowes and Hand-Gonnes." Contrary to its name, the unit was not a battery, but made up of soldiers of the line. There was no prancing horse for the secretary of the B.N.A. bank when he went to war, if one makes exception of the oldest form of transportation—Shank's mare.

Height is Impressive

There are many stories of his war experience, but the one most frequently quoted is allied to his height. It appears that he and the smallest man in the platoon were together in a trench in front of Kemmel toward the end of '14. One report has it that the little fellow turned to Dodds and said:

"What do you think of this, Dodds? If you were like me and under 5 feet 6, you would drown in this trench; but if I were like you, and over 6 feet 5, I would get shot. So between us, you and I have no show."

This pessimistic forecast was not borne out. In the next few months, however, Dodds saw plenty of modern warfare. In the spring of '15 he was invalided back to England. His return to banking was deferred, for his services were in demand. He was commissioned in the Royal Army Ordnance Corps. To France he was sent again in 1916 as assistant director of Ordnance Service in the 59th Division. In November, 1918, came his promotion to the rank of lieutenant colonel and assistant director of Ordnance Services with the 6th Army Corps.

Promotion Comes Fast

The third stage of Jackson Dodds' career started with the close of active war service. He could not return to his old post, as late in 1918 the Bank of British North America had been absorbed by the Bank of Montreal. A man with his experience in finance and ability to handle men was not to be passed over, however, and he became associated with the Bank of Montreal as assistant manager in the London office.

The next three years were a period of adjustment when he established new contacts and generally reoriented himself in the banking field. His progress from then on paralleled that of his early days with the Bank of British North America. In 1922, he was appointed district superintendent of Manitoba branches. There he learned all there was to know about wheat, even if he didn't farm a quarter-section. Then in rapid succession he became assistant general manager in charge of Western branches; assistant general manager, Montreal; and in 1930, joint general manager, a position he continues to hold.

Row With Rowley

Athletics have played a big part in Jackson Dodds' life. One amusing story, the authenticity for which he alone can vouch, though his banking friends take it at face value, concerns his early days as an oarsman.

When stationed at Halifax thirty years ago, with the Bank of British North America, he spent no little time on the North West Arm—a favorite place then and today for those interested in rowing and swimming. In both sports Mr. Dodds excels. It was at the Bankers' regatta that he and O. R. Rowley, brother of Col. C. W. Rowley and well known to Canadian bankers, gave a display of rowing form which is indelibly impressed on the minds of those who saw the affair. Mr. Rowley had only lately arrived in Halifax from Sydney and the two oarsmen had limited opportunity for practice. It is said that he rowed with piston-like, powerful arms. When he stretched forward he hit Dodds, and every time Dodds swung back, Rowley gave him a tremendous jab. Eventually, they changed places in the boat, but too late to win the race. In recalling this race, Mr. Dodds has said that if Rowley rowed as hard as he had, he would have been dead.

Takes Knocks at Rugby

Equally amusing, though not to Mr. Dodds at the time, was his venture into Canadian rugby. It was in the fall of 1902 that the late Lieut.-Col. Victor Buchanan persuaded him to go out with the Montreal Amateur Athletic Association to try his hand at football. Practices were held in the old Victoria Rink, well known to more than one generation of Montrealers.

Dodds was given a place in the line of scrimmage in the opening practice. Opposite to him was the Shot Put Champion of Canada. On the first play Mr. Dodds was tackled roughly and his neck rubbed in the sawdust. Accustomed to the English rugby rules, he was somewhat put out at this treatment and protested. His opponent said it wasn't according to the rules but it was all right. They came to grips again and in the second encounter, Dodds lost some skin off the back of his neck. This was too much and in the next scrimmage Dodds retaliated with his fist. This time the shot put champion complained and the future head of the C.B.A. replied: "It isn't according to the rules, but it is all right." After that there were no untoward developments in Dodd's initiation to Canadian rugby.

Rowing, rugby and other sports have taught Jackson Dodds the importance of co-operation—a valuable asset to any banker. Discretion is needed some time in extending a helping hand to a client and Jackson Dodds probably recalls now and again his attempt to co-operate with Brandon's "20,000 Club," back in the depression year of 1907.

Promoted Minstrel Show

Optimism pervaded the West in the early years of this century. People were pouring into the country. Land values were booming. Every little town believed it was the coming centre of the universe. Brandon's citizens were convinced of the ultimate greatness of their fair town. Efforts to put it on the map resulted in the formation of the "20,000 Club." They might have called it the 40,000 Club, but in those days a population of 20,000 was something to shoot at. A high-powered publicity manager was employed. Then came the depression and the "20,000 Club" had an overdraft with the bank to the extent of the publicity man's salary for the year.

The club's accounts showed all outgo and no income. Committee meetings were held to decide on how to raise funds in order to clear off the bank loan. It was suggested that a minstrel show be held. The young acting manager of the bank was approached to see if he would co-operate with the committee. Mr. Dodds said he would.

Left Holding the Bag

Largely through the efforts of Jackson Dodds, who made an imposing black-face end-man, the minstrel show opened to a capacity audience. The committee had visions of financial freedom and Mr. Dodds saw a distressing overdraft cleared off the books. But they overlooked the publicity manager. When the show was at its height, the publicity man decamped with the box-office takings and Mr. Dodds had to start in all over again to devise a new and surer way of making the "20,000 Club" solvent.

Other efforts of co-operation have been more fortunate in their results. But experiences such as this and those encountered in sport and during the war, have contributed to the all-round development of Mr. Dodds. The proverbial "coldness" of the ordinary banker is lacking in his make-up. In its stead is a humanness demanded of bankers under present-day conditions.

Heads Bankers in Critical Year

—Caricature by Cecil.

JACKSON DODDS

Joint general manager of the Bank of Montreal and newly elected president of the Canadian Bankers' Association, whose experience in clean sportsmanship and hitting the line on the playing field and in the trenches will serve him in good stead in this critical Bank Act revision year.

Grain Briefs

Canadian Wheat in Store on December 8 amounted to 242,990,717 bushels compared with 243,035,249 in the week before and 236,135,571 on the corresponding date of 1932. Canadian wheat in store in the United States amounted to 16,154,609 bushels compared with 16,649,332 a year ago. Stocks in these positions have been steadily increasing in recent weeks so that winter shipments from the United States seaboard may be facilitated.

Wheat Marketings in the Prairie Provinces for the week ending Dec. 1 amounted to 3,955,611 bushels compared with 2,900,513 in the previous week and 7,272,594 in the corresponding week of 1932.

Canadian Wheat Exports for the week ending Dec. 8 amounted to 3,326,788 bushels compared with 4,518,364 in the previous week.

Wheat Flour Exports in November totalled 547,602 barrels valued at $1,882,856 compared with 576,864 at $1,798,982 in November, 1932, a lowered volume but an increased value. The average price last month was $3.43 per barrel and a year ago $3.11.

During the eight months of the present fiscal year the export was 3,931,553 barrels valued at $13,915,990 compared with 3,555,650 barrels at $11,822,997, the average price being $3.54 and $3.32 per barrel respectively.

World Wheat Shipments Increase in Last Week

World shipments of wheat and wheat flour for the week ending December 4, amounted to 11,716,000 as compared with shipments of 9,716,000 bus. for the previous week and 16,512,000 bus. for the corresponding week last year. Shipments from North America increased by over 500,000 bus. while clearances from Australia and the Argentine show an increase of more than 800,000 bushels.

During the first 18 weeks of the present crop year world shipments amounted to 193,000,000 bus. compared with 202,000,000 bus. for the corresponding weeks last year. North American shipments have amounted to 86,000,000 bus. compared with 131,000,000 bus. last year. Since August 1, 1933, the Argentine has cleared 34,000,000 bus. of wheat compared with 14,000,000 for the same weeks last year. Australian shipments are slightly lower than last year.

Winnipeg Grain Prices

Week to December 12

Crop year from Aug. 1, 1933 High	Low		Open Dec. 6	High for week	Low for week	Close Dec. 12
		Wheat				
.90⅞	.54⅛	December	.60½	.61½	.59¾	.61⅛
.95	.59¼	May	.64⅛	.65	.63¼	.64⅜
.70½	.63⅜	July	.65¼	.66	.64⅜	.65½
		Oats				
.45⅜	.26	December	.30	.30½	.29½	.30¼
.48½	.29½	May	.33⅛	.33⅜	.32¾	.33⅛
.36¼	.32⅛	July	.33⅜	.34	.33¼	.33⅝
		Barley				
.56⅞	.29¼	December	.33⅝	.35⅛	.33⅝	.35
.59¾	.32½	May	.37¼	.38¼	.36¾	.38¼
.41	.36¼	July	.37½	.38⅝	.37⅜	.38⅝
		Flax				
1.63½	1.11	December	......	1.44	1.40½	1.43
1.71½	1.15	May	1.46	1.47¾	1.45	1.45½
.48⅝	1.39½	July	......	1.47¼	1.44	1.44¼
		Rye				
.64½	.37	December	.41¼	.42	.40⅞	.41¼
.68½	.39½	May	.44⅜	.45¼	.43⅜	.44⅝
.50⅛	.43⅜	July	.45⅝	.46⅛	.44¾	.45½

Wheat

From Our Grain Correspondent

Air Clearer for Wheat

YEAR-END quietness and lower North American shipments in a declining world wheat trade were features of the market during the past week. Pressure was lacking from exporting countries with wheat clearances from Argentine, Russia, Australia and the Balkans at a low figure. In the North American shipments were included some subsidized U. S. wheat for China. Total shipments for the week were reported as only 7,936,000 bushels as compared with 11,770,000 bushels the previous week and over 10,000,000 bushels in the same week a year ago. Of the current week's total, North America supplied just over 50 per cent. The previous week the N. A. ratio was over 53 per cent.

Decline in world shipments is expected to cause a firmer feeling abroad and demand for future shipments is expected to develop as the season progresses. Spot supplies in Europe according to Broomhall are now abundant but the trade is not expected to remain out of the market while consumption continues, and stocks disappear. One important point has been the clearing up of the uncertainty in the Argentine exchange situation. The peso has declined about 17 per cent in London and the wheat price at Buenos Aires has gained by the same amount therefore the c.i.f. price will show very little variation. Much will depend on the quality of the first arrival of Argentine wheat as to whether British buyers will buy more Plates or more Manitobas in the early part of the new year. At the present time both wheats are of good quality.

* * *

Subsidized Exports Costly

TWO principal depressing factors mentioned in dispatches from London with respect to wheat prices are currency depreciation in exporting countries and subsidized exports of wheat.

Subsidized wheat or flour has recently been on offer in Great Britain from France, Germany, Danubian countries and the United States, with the inevitable effect of making soft wheat very cheap, and flour from such wheat correspondingly so. Continental countries are understood to have found this method of increasing their exports much more costly than they had anticipated, and there is doubt as to how long they are likely to continue the practice.

Discontinuation of French subsidies for export is already announced. Liverpool also considers any depreciation of currency, or appreciation of sterling in the terms of currencies of exporting countries, as reasons for exporting lower wheat prices, in so far as their expression in sterling is concered.

* * *

Bullish News From U. S.

STEADILY increasing attention is being given to reports of poor condition of the United States winter wheat crop already seeded. Numerous observers insist that the crop offers poorer prospects than was the case a year ago, and on that account reports that no substantial reduction has taken place in the area actually seeded have less effect on market sentiment. At the same time spring wheat production is threatened by a grasshopper menace, similar in intensity to that which threatens Saskatchewan.

Consequently another year in which wheat in the U. S. production might fall short of normal home needs is seen as possible, something which might easily reduce the carry-over in that country to reasonable proportions, and prevent it being any longer a burden on the market.

* * *

Broomhall More Cheerful

SENTIMENT in grain circles, said Broomhall last week, is more friendly to all markets. The Argentine crop is thought to have been removed as a pressure upon the international market owing to the official announcement that the Government will take the wheat from the farmers and sell to the exporters as required. This leaves Australia as the principal distressed seller in legitimate export countries and production in that country this year is far from abundant. Continental countries are apparently finding the system of subsidizing exports too expensive. Spot wheat in Paris is quoted at $2 a bushel while c.i.f. offers to England are around 56 cents a bushel, spot wheat in Germany around $1.95 and c.i.f. England about 65 cents a bushel.

It has repeatedly been said by Broomhall that a system of this sort could not prevail indefinitely. It was realized that the Government might be able to stand the expense for a short while, but a large crop, coupled with a record carryover would be too much of a strain upon the finances and it would have to be relinquished ultimately. The French Government, continues the cable, has now suspended exports of wheat. Offerings of wheat for export are very steady and the tone of the various markets is much steadier with perhaps the exception of Australia. Importers, on the other hand are well supplied and unless continental countries should continue buying, there is not much hope for any sustained demand. Exporters, however, are resigned to the small foreign demand and may regulate their sales accordingly. Russian wheat is quoted for shipment this month at 59¾ cents, New Argentine at 72½ cents. North American burdensome stocks are gradually being pared down and cash wheat in the United States at least is very steady.

U. S. Public Debt Higher

Public debt of the United States stood at $23,534,115,771 at the end of November, the highest point since 1921, when it was $23,977,450,000, and within about $3,000,000,000 of the all-time, war-loan peak of $26,596,701,648 on Aug. 31, 1919.

Grain and Milling in Canada

WEST LOOKS FOR INCREASE IN '33 CROP

Latest Reports Indicate More Wheat Held Back This Year

By Staff Editor

WINNIPEG.—A strong belief that the 1933 wheat crop of the prairie provinces will be from 10,000,000 to 20,000,000 bushels higher than is now commonly expected, is expressed by well-informed authorities here.

Many who are in close contact with the grain situation on the prairies at the present time, including railway officials who keep a close check on crops and markets, believe that the later and reduced crop estimates are out of line and that a wheat crop in the prairies of between 260,000,000 and 270,000,000 bushels has been harvested.

Considerable Discrepancy

This would be from 10,000,000 to 15,000,000 bushels greater than the latest estimate (Nov. 10) of the Dominion Bureau of Statistics and from 20,000,000 to 30,000,000 bushels higher than the most recent estimate of the Searle Grain Co. of the Northwest Grain Dealers.

The various estimates of the crop which have been made in the past three months are as follows:

1933 Wheat Crop Estimates

	Prairie Provinces (bu.)	All Canada (bu.)
Searle Grain (Sept. 1)	269,000,000	......
D.B.S. (Sept. 11)	264,000,000	282,771,000
Sanford Evans (Sept. 26)	268,000,000	......
Searle Grain (Oct. 24)	247,000,000	......
N.W.G.D. (Nov. 3)	236,000,000	......
D.B.S. (Nov. 10)	253,000,000	271,821,000

Due to Holding Back

If the last three of these estimates prove to be too low, it will be because of the large quantities of grain which are believed to have been held back in farmers' hands and not marketed in the usual manner. This has been due to the comparatively lower prices which have prevailed since the summer. Farmers are thought to be holding on to their grain in the hope of higher prices and any material improvement in prices in the next few months will, it is believed, confirm this view by disclosing these large supplies by way of increased marketings.

As at the middle of November the Dominion Bureau of Statistics estimated that on the basis of a 253,000,000 bushel crop, approximately 62 per cent of total anticipated receipts had come forward. This percentage is substantially above the corresponding average of the past 10 years for in that period about 59 per cent of total receipts is usually marketed. The year 1929-30 saw the highest ratio of marketings, since in that year 79 per cent was delivered in the first 15 weeks. The lowest ratio was in 1927-28 when only 43 per cent of deliveries were made in that time. In the past four crop years, 68 per cent of the crop has been marketed in this period.

80,000,000 Bushels to Come

Assuming that instead of a 253,000,000 bushel crop the prairies were to have produced 270,000,000 bushels, it would mean that after allowing 46 million bushels for seed, feed, farm carryover etc., the amount of grain available for commercial marketing would be 235,000,000 bushels of which 155,000,000 had been marketed by December 8. This would leave approximately 80 million bushels of grain still on the farms.

As there are 33 weeks of the crop year remaining this would indicate marketings of approximately 2,400,000 bushels of wheat on the average from now until the end of the crop year. Current weekly marketings almost reached that figure for the week ended Dec. 8 having gradually slowed down to 2,500,000 bushels from a peak of 15,000,000 bushels in the last week of September.

Incidentally it is interesting to note that last year the Dominion Bureau of Statistics final wheat crop estimate of 408,000,000 bushels was something like 27,000,000 bushels below the final figure for the prairie provinces is now believed to have been some 27,000,000 below the actual figure—largely for the same reason as this year. The Northwest Grain Dealers' estimate was also low to an even greater degree last year.

Precipitation Above Normal In Grain Belt

Precipitation in the western provinces has been well above normal in the three months ended November 30 and in excess of the precipitation in either 1932 or 1931 during the same period. Returns from 13 weather recording stations in the prairie provinces indicate that the rainfall has averaged more than 1 inch above normal and only in the case of Calgary is precipitation well under the normal.

With more than average moisture in September the average has been well maintained during both October and November although, as could be expected, there was some diminution in the precipitation. The three months totals for the 13 recording stations in the west is as follows:

Fall Precipitation, Sept. 1 to Nov. 30 (in inches)

	Normal	1933	1932	1931
Winnipeg	4.42	5.37	6.33	6.41
Minnedosa	3.76	4.71	3.65	3.13
Qu'Appelle	4.12	4.05	3.41	2.17
Regina	2.79	5.20	1.93	1.63
Moose Jaw	2.56	4.18	2.23	2.49
Swift Current	2.58	3.19	1.90	3.00
Saskatoon	2.71	4.44	1.53	2.54
Pr. Albert	3.45	4.56	2.73	3.80
Battleford	2.30	4.60	1.43	4.52
Medicine Hat	2.56	3.39	4.58	3.27
Lethbridge	3.32	4.85	2.87	3.83
Calgary	3.36	2.26	2.86	2.30
Edmonton	2.76	5.23	2.91	2.24
Total	40.69	56.03	38.36	44.03
Average	3.13	4.31	2.95	3.39

Figures Show Wheat Average Down 4.6% In Past Year

A 4.6 per cent reduction in wheat acreage in the prairie provinces during the 1933 season is indicated by final acreage figures for the past year released by the Dominion Bureau of Statistics this week. Total wheat acreage in the prairies is shown as 25,177,000 acres as compared with the all-time high of 26,395,000 acres reported for 1932. The 1933 acreage is slightly below the 1931 level of 25,439,000 acres, but higher than the 1930 figure. Average prairie acreage in wheat in the ten year period 1923 to 1932 inclusive was 22,899,000 bushels.

Total acreage devoted to field crops in Canada in 1933 is reported by the Bureau as 56,580,550 acres. This is lower than the corresponding figure of the previous year by almost 1,200,000 acres.

Gains and losses during the year were about evenly divided with important declines in acreage being recorded in fall rye and flaxseed. Alfalfa acreage showed a considerable increase.

Field Crop Acreage in Canada

	Acres 1932	Acres 1933
Fall wheat	536,000	559,000
Spring wheat	26,646,100	25,432,100
All wheat	27,182,100	25,991,100
Oats	13,148,400	13,528,900
Barley	3,757,600	3,658,000
Fall rye	613,900	434,900
Spring rye	159,900	148,200
All rye	773,800	583,100
Peas	84,800	84,600
Beans	66,600	59,100
Buckwheat	368,400	398,300
Mixed grains	1,184,000	1,167,300
Flaxseed	453,700	243,600
Corn for husking	130,000	136,600
Potatoes	521,500	527,700
Turnips, etc.	174,800	183,900
Hay and clover	8,811,600	8,875,900
Alfalfa	666,100	721,600
Fodder corn	365,600	378,750
Sugar beets	45,000	42,100

HIGHER PRICE THOUGHT IN LINE

Searle Grain Raps Bearish Wheat Statement From London

Further emphasis of the view that "the statistical situation of wheat seems to warrant a higher price in sterling at Liverpool" is contained in the monthly review of the wheat situation published this week by Searle Grain Co. at Winnipeg.

Price Spread Explained

The review notes that the price of wheat at Winnipeg is 1⅝ cents a bushel higher than a month ago in spite of the fact that at Liverpool the price in sterling declined the equivalent of 4¾ cents a bushel. Approximately 3 cents of this difference, it estimates, is accounted for by the decline of the Canadian dollar, the balance of the difference being due to the fact that Canadian wheat at Liverpool is being quoted at a somewhat higher price than previously in comparison with Argentina and Australian sorts.

"It seems difficult," says the review, "to reconcile the statement coming from the Wheat Advisory Committee at London of 'a greater glut of wheat and less demand' with other information available, for instance, on Nov. 29 Mr. Broomhall maintained his estimate made on Aug. 8 last of European requirements, and suggested the probability of an increase in non-European takings. On November 15 the International Institute of Rome slightly raised their previous estimate of world demands, and the United States Department of Agriculture, this week, estimates the world's wheat crop, excluding Russia and China, to be about 220 million bushels less than last year.

"We still feel that the statistical situation of wheat appears to warrant a higher price in sterling at Liverpool."

Bullish Factors

Summarizing the bullish and bearish factors which affected wheat during the month the review cites as outstanding features on the bullish side, the following:

Canadian dollar declines from pound.

Decrease in Canadian crop confirmed.

Decrease in Australian crop.

Dry weather in U. S. winter wheat belt.

World's requirements may be increased.

Bearish Factors

On the bearish side it considers these factors the most significant:

Price of gold declines in sterling.

Unstable international exchange rates.

Italian wheat crop increased 20 million.

Statement from Wheat Advisory Committee, that "glut of wheat greater and demand less than anticipated when wheat agreement was signed."

Argentine crop estimates improved.

Higher Price Offsets Drop In Wheat Crop

Prairie farmers have received an average of 45.9 cents per bushel for wheat delivered to country stations in the first four months of the current crop year. The average received in the same period of last year was 31 cents per bushel and in 1931-1932, 43 cents per bushel. The increase in price has offset to some extent, the drop in deliveries which, for the four months ended November 30 totalled 151,777,000 bushels as compared with 254,795,000 bushels in the corresponding period of 1932. The net money value to farmers, however, is only down to $69,714,783 from $79,431,576 in the same period of last year, according to Sanford Evans Statistical Service.

On the basis of deliveries to November 30, Manitoba farmers have received $15,494,351 on their 1933 wheat crop; Saskatchewan farmers have received $29,386,857 and Alberta farmers $24,833,576. Value of deliveries made during November was $9,169,800 as compared with $10,692,790 in November, 1932. Of this November valuation, Alberta farmers received $4,084,518; Saskatchewan farmers, $3,949,374 and Manitoba farmers $1,135,908.

Less Wheat to U. K. But Price Higher

Wheat exports from Canada to the United Kingdom in November totalled 15,605,264 bushels valued at $10,187,447 compared with 17,857,718 at $8,883,794 in November, 1932, a decrease of over two million bushels in volume but an increase of over $1,000,000 in value. The average export price last month was 68.2 cents per bushel as against 56.3 cents a year ago.

During the first four months of the crop year the wheat export to the United Kingdom amounted to 46,834,190 bushels valued at $32,299,835, compared with 78,440,291 at $41,522,435 in the same period of 1932.

Wheatflour exported to the United Kingdom in November totalled 245,792 barrels of the value of $849,839 compared with 282,043 at $868,674 in November, 1932. The export in the four months of the crop year was 946,922 barrels at $3,442,103, an increase of 92,405 barrels in volume and $688,826 in value. The average export price last month was $3.54 per barrel as against $3.32 in November, 1932.

LAST FREE MART FOR WHEAT, FLOUR MAY IMPOSE TAX

China Plans Putting Tariff on Flour and Tax on Wheat

From Our Own Correspondent

WINNIPEG. — Reports that China is preparing to increase its tariff on flour, and to impose a tax on wheat are found disturbing by the trade, in spite of the fact that Australia has of late had a much larger share of the Chinese market than has Canada. The tax which has been suggested on flour, one of $1 per picul of about 133 pounds would be practically prohibitive, and would necessitate the milling of practically all China's flour in the country's own mills.

The suggested tax on wheat, which is now duty free, of 50 cents a picul, would, it is thought, increase the cost of flour to Chinese consumers sufficiently to restrict consumption to some extent.

Would React in U. K.

To whatever extent Australian wheat is shut out of China the pressure of such wheat on the British market would tend to be increased. Such a plan would seem to dispose effectually of the United States idea of getting rid of a large part of the surplus wheat of that country by subsidized export to China, where, it has been customary to assume, such wheat might be sent without any damaging effect on other markets of the world.

China represents the last great free wheat market at present left in the world.

Ashton Named Manager Jenks, Gwynne Office

From Our Own Correspondent

MONTREAL.—Beginning with the new year the Montreal office of Jenks, Gwynne and Co. will be under the management of Charles Ashton. Mr. Ashton has been with the firm in Montreal for over 20 years.

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• • •
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T. WILLIAMSON, Vice-President and Managing Director.
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Young man, experienced in compiling and analyzing statistics, desires connection. Private studies accepted.
Box 226, The Financial Post, Toronto

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BE QUOTED correctly! At every gathering where it is desirable to record accurately all that has been said, let Stenotype Service take the responsibility. Mechanical shorthand is employed to ensure speedy, trustworthy verbatim reports. Conventions, club gatherings, boards of directors, political associations, etc., etc., can employ this service at all meetings with assurance of satisfaction. Fees are moderate. For further information write The Stenotype Reporting Bureau, 481 University Ave., Toronto.

DIVIDEND NOTICES

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 30th December, 1933, making a total distribution of ten per cent for the current year—the Dividend will be payable at the Head Office of the Bank and its Branches on and after Tuesday, the 2nd day of January, 1934, to shareholders of record of the 20th December, 1933.

By Order of the Board,
DUDLEY DAWSON,
General Manager.
Toronto, 16th November, 1933.

The Canadian Bank of Commerce

The annual meeting of the shareholders of this Bank, for the election of Directors and for other business, will be held at its banking house, No. 25 King Street West, Toronto, on Tuesday, the 9th day of January next.

The chair will be taken at 11.30 o'clock a.m.

By order of the Board,
S. H. LOGAN,
General Manager.
Toronto, 24th November, 1933.

McCOLL-FRONTENAC OIL COMPANY LIMITED

Preferred Dividend No. 24

NOTICE IS HEREBY GIVEN that a Dividend of $1.50 per share, being at the rate of 6 per cent per annum, has been declared on the 6 per cent Cumulative Preferred Stock of McColl-Frontenac Oil Company, Limited, for the quarter ending December 30, 1933, payable January 15, 1934, to Shareholders of record at the close of business on December 30, 1933.

By Order of the Board.
FRED HUNT,
Secretary.
December 7, 1933.

Dividend Number 248
Extra Dividend Number 8

Hollinger Consolidated Gold Mines Limited

A regular dividend of 1% and an extra dividend of like amount, making 2% in all, have been declared on the Capital Stock of the Company, payable on the 30th day of December, 1933, on which date cheques will be mailed to shareholders of record at the close of business on the 15th day of December, 1933.

DATED the 8th day of December, 1933.
I. McIVOR,
Assistant-Treasurer.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given, that a Dividend of Three per cent, upon the Paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after
1st January, 1934,
to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,
WALTER GILLESPIE,
Manager.

Dominion Glass Company Limited

NOTICE OF DIVIDENDS

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of December, 1933.

Notice is also hereby given that a dividend of one and one-quarter per cent (1¼%) has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of December, 1933.

The above Dividends are payable on Tuesday, the 2nd day of January, 1934, to Shareholders of record at the close of business Friday, the 15th day of December, 1933.

By Order of the Board.
MERVYN OFFER
Secretary.
Montreal, 28th November, 1933.

DIVIDEND NOTICE

Canadian General Electric Company, Limited

Preference Dividend No. 95

Notice is hereby given that a dividend of 1¾% for the quarter ending December 31, 1933, being at the rate of 7% per annum, has been declared on the Preference Stock of the Company.

Common Dividend No. 116

Notice is also hereby given that a dividend of 75 cents per share for the quarter ending December 31, 1933, being at the rate of 6% per annum upon the par value of the stock, has been declared on the Common Stock of the Company.

The above dividends are payable on January 1, 1934, to shareholders of record at the close of business on December 15, 1933.

By Order of the Board.
W. H. Nesbitt,
Secretary.
TORONTO 2, December 6, 1933.

DIVIDEND NOTICES

BRITISH COLUMBIA POWER CORPORATION, LIMITED

DIVIDEND No. 22

NOTICE is hereby given that a dividend of Thirty-Seven cents per share on Class "A" shares of no par value has been declared for the three months ending December 31st next, payable to shareholders of record on that date (less 5% Dominion of Canada tax in the case of non-residents of Canada) by the Montreal Trust Company, Montreal, Canada, on January 15, 1934. This dividend is intended to be a quarterly dividend at the rate of $1.50 per share per year, and so long as this rate is maintained quarterly dividends will alternate at the rate of 38c. and 37c. per share.

By Order of the Board,
ERNEST ROGERS,
Secretary.
Vancouver, B.C.,
December 7, 1933.

Dominion Textile Co. Limited

Notice of Preferred Stock Dividend

A DIVIDEND of One and Three Quarter per cent. (1¾%) has been declared on the Preferred Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending December 31st, 1933, payable January 15th, 1934, to shareholders of record December 30th, 1933.

By order of the Board,
L. P. WEBSTER,
Secretary.
Montreal, November 27th, 1933.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

Canada Northern Power Corporation, Limited

Common Dividend No. 18

NOTICE is hereby given that a Dividend of 20c. per share (being at the rate of 80c. per annum) has been declared on the no par value Common Stock of CANADA NORTHERN POWER CORPORATION LIMITED for the quarter ending December 31st, 1933, payable January 25th, 1934, to shareholders of record at the close of business on December 30th, 1933; and a Bonus of 10c. per share has been declared on the said Common Stock for the fiscal year ending December 31st, 1933, payable January 25th, 1934, to shareholders of record at the close of business on December 30th, 1933, making a total for the year of 90c. per share.

By order of the Board.
L. C. HASKELL, Secretary.
Montreal, November 28th, 1933.

The Real Estate Loan Company of Canada, Limited

Dividend No. 94

Notice is hereby given that a dividend of two and one-half per cent has been declared upon the Capital Stock of the Company for the half year ending 31st December, 1933, and the same will be payable at the offices of the Company on and after the 2nd day of January, 1934, to shareholders of record of 15th December, 1933.

By order of the Board.
C. A. MORRIS,
Manager.
Toronto, 7th December, 1933.

A. J. Freiman, Limited

DIVIDEND NOTICE

A dividend of one and one-half per cent (1½%) on the 6% cumulative redeemable convertible preferred shares of A. J. Freiman, Limited, being at the rate of 6% per annum, will be paid on the 2nd day of January, 1934, to shareholders of record December 15th, 1933.

By resolution of the Directors.

Dated at Ottawa this 7th day of December, A. D. 1933.
S. R. OUELLETTE,
Secretary-Treasurer.

Western Grocers Limited

Notice of Dividend

A dividend of one and three quarters per cent (1¾%) on the Preference Stock of Western Grocers Limited has been declared for the quarter ending December 31st, 1933, payable January 15th, 1934, to shareholders of record December 20th, 1933.

By order of the Board.
W. P. RILEY,
President.
Winnipeg, December 6th, 1933.

Associated Breweries of Canada Limited

DIVIDEND NOTICES

Notice is hereby given that a quarterly dividend (No. 21) of 1¾% upon the outstanding Preference Shares of the Company has been declared, the said dividend to be payable on or after the 2nd day of January, A. D. 1934, to Shareholders of record at the close of business on the 15th day of December, 1933.

Notice is also given that a dividend (No. 18) of twenty-five cents per share on the no par value common shares of the company issued and outstanding has been declared payable on and after the 2nd day of January, A. D. 1934, to Shareholders of record at the close of business on the 15th day of December, 1933.

By Order of the Board,
J. G. WALFORD,
Secretary-Treasurer.
Calgary, Alberta,
December 6th, 1933.

Model Oils Limited

Dividend Notice

Notice is hereby given that a dividend of three cents per share has been declared to shareholders of the Company of record as such on the books of the Company at the close of business on Tuesday, January 2, 1934, and that the dividend will be payable on or after the 20th day of January, 1934. Dividend cheques will be mailed from the office of the Company on the 20th day of January, 1934.

The Register of Transfers will be closed from the close of business on the 2nd day of January, 1934, until the opening of business on January 22, 1934.

By order of the Board,
T. W. McKEE,
Secretary-Treasurer.

Transfer charge is 35c for each new certificate.

If certificates are to be mailed add 15c for postage.

MERGERS BREW FOR BREWERIES OVER ONTARIO

Brewing Corp. President Prepares Plan for Wholesale Amalgamation

AS IN QUEBEC

Ultimate Objective is Two or Three Large Groups Concentrating Operations in Large Plants

Brewery company securities in the last week have had their turn in the public favor on Canadian stock markets because the public believes greatly increased beer sales will result from a new Ontario Government policy in 1934 of licensing hotels, restaurants and clubs to sell beer and possibly of permitting distribution through grocery stores.

The Financial Post analysis last week of the probable position of the industry under new laws to be passed at the next session of the Ontario Legislature, pointed out that executives expect sales at least to be doubled by reason of more easily secured beer by discouraging home brewing and weaning people from consumption of spirits. As the brewing industry under present conditions has far too great capacity, the move in brewery stocks shows also that investors believe the industry will not indulge in a free-for-all fight for business available under new conditions expected to obtain. One reason for this is that even under present conditions of sale there have been strong currents moving in the industry toward further amalgamation in order to cut costs, overhead and concentrate production in best plants.

Industry is Overdone

In a pamphlet published in July, 1932, E. P. Taylor, president Brewers Warehousing Co. outlined a plan for increasing the profits of the industry as a whole to more than $1,500,000 under conditions then existing. He pointed out that even in 1914 with 42 breweries the Ontario industry was overdone. The bad practice had grown up of tying hotels to breweries in order to get volume. The Ontario Temperance Act closed down some breweries, but a few years later the enactment of prohibition in the United States permitted a large export business to be done by certain Ontario breweries until the Dominion Government in 1930 honored the behest of the United States Government to declare this business illegal.

The end of prohibition in Ontario produced the Ontario Liquor Act which "in practice encouraged the people of the province to drink spirits rather than beer, although in pre-war days they had favored beer." Mr. Taylor states that Ontario has the highest per capita consumption of spirits of any country in the world and the lowest of beer in Canada. The Liquor Control Act found 35 breweries actively in operation again. There were in 1932 about five companies, out of 35 operating concerns, earning reasonable profits and the others were making no profits or losing money.

The solution of the problem, said Mr. Taylor—who is also president and general manager of Brewing Corp.—lies in a widespread consolidation of brewing companies of the province, embracing all but two concerns. Thus placing his cards on the table, Mr. Taylor said that all careful students of the problems involved agreed that the industry as a whole will never be as profitable as it should be, or as free from undesirable practices while there are 35 plants turning out a volume of beer that could be made quite as easily in 10 or 12 breweries, irrespective of the liquor regulations. He claimed that a merger would not get full results in Ontario unless it embraced all but one or two companies. He claimed that brewers of Quebec had been well rewarded in 1909 for submitting to such a major operation as he proposes for Ontario.

Close Small Plants

In that pamphlet Mr. Taylor divided breweries in Ontario into 12 Group A plants doing half the Ontario business, five other Group B plants doing 30 per cent of the business and 21 other Group C plants doing 20 per cent of the business. His plan is to merge all Group A and Group C companies into one concern, continuing to operate Group A plants and closing Group C plants. He estimated that such a merger would treble profits for the combined companies because of saving of expenses of operation, sales promotion, cartage and freight. The combined companies represented a net worth of $16,000,000 on which earnings in 1931 were 3½ per cent; by consolidation he believed they could earn more than 10 per cent. Group B companies would also get added volume and profits, he estimated.

Place of Home Brewer

The home brewer pays no license but merely notifies the Department of National Revenue of his intention to brew beer. There is no inspection or supervision and brewers believe that there are also very many home brewers who have not notified the Department of National Revenue. They say also that the home brewer who brews for his own use tends to develop into the home brewer who brews for commercial purposes. They claim that three quarters of the court cases charged against illegal consumption or sale of beer, if traced back, would be found to go back to home brew. Home brew itself was a product of high taxation and reduced the output of brewery beers that did provide taxation. It was steadily tending to take taxable beer out of Liquor Control Board channels.

The home brew trade in Canada in 1930 used 9,741,049 pounds of malt syrup, it is estimated; and every pound, with sugar added, produced two gallons of beer. Of the 18,000,000 gallons of beer thus made in Canada it is estimated that Ontario made 10,800,000 gallons while the brewing trade sold 8,500,000 gallons.

Lost Taxes

If this home brew had passed through the Liquor Control Board it would have added $700,000 to its revenue. Brewers do not use sugar and it is estimated that if this home brew, using so much sugar, went through brewing channels it would cause a further demand for 500,000 bushels or more of malting barley from the Ontario farmer. It is claimed also that most home brews are made under unsanitary conditions such as would not be permitted in a brewery and that consumption takes place before the beer is properly matured.

DIVIDEND NOTICES

Provincial Paper Limited

Notice is hereby given that Regular Quarterly Dividend of 1¾% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable January 2nd, 1934, to shareholders of record as at close of business December 15th, 1933.

W. S. BARBER,
Secretary-Treasurer.
Toronto, Ontario.

Ottawa Light Heat and Power Company, Limited

DIVIDENDS

Notice is hereby given that the usual dividends have been declared for quarter ending 31st December, 1933, payable to Shareholders of record 15th December, as follows:—

Preferred Stock: 1⅝%. (being at the rate of 6½% per annum), payable 1st January, 1934.

Common Stock: 1½%. (being at the rate of 6% per annum), payable 1st January, 1934.

The transfer books will not be closed.

By Order.
F. W. FEE,
Secretary.
OTTAWA, 11th December, 1933.

The Consolidated Mining and Smelting Company of Canada, Limited

DIVIDEND No. 57

Notice is hereby given that a Dividend of Six Per Cent (6%) on the paid-up Capital Stock of the Company for the year ending December 31st, 1933, has this day been declared, payable on the 15th day of January, 1934, to shareholders of record at the close of business on the 30th day of December, 1933.

By order of the Board,
J. E. RILEY,
Secretary.
Montreal, December 12, 1933.

Noranda Mines, Limited

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of $1.00 per share, payable in Canadian funds, has been declared by the Directors of Noranda Mines, Limited, payable December 30th, 1933, to shareholders of record at the close of business December 18th, 1933.

By order of the Board.
T. N. HAY,
Secretary-Treasurer.
Toronto, December 8th, 1933.

Sales Manager

J. M. O'BRIEN

Who has been appointed sales manager for Canada of the Imperial Tobacco Co. Born in Montreal he has worked through the organization in the rôle of salesman, branch manager and assistant sales manager. His headquarters will be at Montreal.

Dupuis Freres Plan Passed by Shareholders

From Our Own Correspondent

MONTREAL. — Shareholders of Dupuis Frères, Limité, at a special general meeting held, accepted the plan of rearrangement in connection with the preferred stock of the company by the vote of 98.1 per cent of the total capital stock represented. The plan also met with the approval of 97.36 per cent of the preferred share capital present or represented.

Adoption of this plan will enable the company to immediately pay to its preferred shareholders $12.00 per share in bearer certificates, to mature in 1934 and 1935 and redeemable by anticipation in merchandise at the company's stores, thus wiping out all dividend arrears on the basis of 6 per cent per annum.

The plan also provides for the exchange of present $100 par value 8 per cent preferred shares for $100 par value 6 per cent preferred shares.

C. I. L. Reduce Prices With Sales on Upgrade

From Our Own Correspondent

MONTREAL.—Canadian Industries Ltd. have announced a further reduction in the selling price of all types of high explosives. This change in the price schedule has been made possible by the upturn in volume of sales since May of this year in the various manufacturing divisions of the company.

In the case of explosives, this improvement in sales has been due to better markets for Canadian base metals, lead, copper, nickel and zinc and more intense activity in gold-mining.

Royal Bank of Canada Appoint Branch Managers

From Our Own Correspondent

MONTREAL.—Royal Bank of Canada announce the appointment of C. T. Medlar, who has been manager at the Victoria Avenue Branch in Westmount, to the managership of the Stanley and St. Catherine Street branch.

W. J. Oram, of Montreal, has been transferred from the managership of the Van Horne and Outremont office to Victoria Avenue Branch.

BEATTY BROS. HAS FIRST LOSS IN 21 YEARS

Strong Working Capital Allowed Company to Maintain Dividends

Though Beatty Bros. paid full dividends on first and second preferred stocks in the year ended August 31, 1933, actual operations showed a net loss of $158,303 after provision for depreciation, bad debts and donations as compared with a net profit of $13,316 in the preceding year. Net result of this dividend policy and other adjustments, however, was that surplus dropped during the year from $12,011,166 to $1,753,009.

INCOME AND SURPLUS ACCOUNT
Years Ended August 31

	1933 $	1932 $
Net earn.*	‡158,303	13,316
Less res. for tax	......	6,336
Net profit	‡158,303	6,980
Less appropriations:		
1st pref. div.	66,513	71,610
2nd pref. div.	46,872	46,872
Com. divs.	......	19,500
Surp. for year	†271,688	†131,002
Add: Prev. surp.	2,011,166	2,091,415
Prof. on cl. A pref. shs. red.	23,097	52,814
Less:		
Tax adjust.	3,998	......
Life ins. adj. to cash val.	5,568	2,061
Bal. forward	1,753,009	2,011,166

* After depreciation, bad debts and donations.
† Deficit.
‡ Loss.

Sales Improving

Wm. G. Beatty, president, in annual report to shareholders, states that this is the first year to show a loss on operations since the company was incorporated 21 years ago. Since June, however, sales have shown a gain over the corresponding months of 1932 and this improvement has kept on right up to the present. The president states that a continuation of this improvement for the rest of the fiscal year would make operations profitable once again. New goods have been developed and old products improved during the year.

The company's working capital puts it in a favorable situation to take advantage of improved conditions in business:

Working Capital

	1933 $	1932 $
Current assets	4,482,671	4,767,266
Current liabilities	264,582	263,442
Working capital	4,218,089	4,503,824
Ratio	16.94—1	18.11—1

Accounts receivable, less reserve of $896,603 for bad debts, dropped in 1933 from $3,438,543 to $3,172,803, and inventories fell slightly from $1,095,668 to $1,070,304. Cash was low at $3,170. In current liabilities bank loans were down from $140,700 to $120,531 at the same time that accounts and bills payable went up from $120,679 to $144,052.

Little change is shown in fixed assets but depreciation reserve was increased from $754,416 to $822,203. The company's main factories at Fergus, Ont., its foundry at London and other branches together are devoted to manufacturing electric, engine and hand power washers, electric vacuum cleaners and blowers, electric floor polishers and ironing machines, electric and hand pumps, step and extension ladders and a large variety of other farm and industrial equipment.

NAT. SEWER PIPE SALES WERE DOWN, YEAR SHOWS LOSS

Interest Earnings, Strong Liquid Position Permitted Dividend Payments

Further reduction in sales of products of National Sewer Pipe Co. during the year ended October 31, 1933, resulted in an operating loss of $42,282 as compared with an operating profit of $42,167 in the preceding year. Because of the company's earnings from investments and its strong working capital position, it was able to pay Class "A" dividends of $67,049 and common dividends of $7,979, but these and other disbursements brought the company's balance at credit down during the year from $117,704 to $17,249.

INCOME AND SURPLUS ACCOUNT
Years Ended Oct. 31

	1933 $	1932 $
Net earn. from oper.	†42,282	42,167
Int. and other rev.	34,630	39,363
..	†7,652	81,530
Less: Inc. tax reserve	......	9,500
Adj depr. reserve	17,462	......
Net profit	†25,114	72,030
Less appropriations:		
Class "A" divds.	67,049	68,785
Common divds	7,979	85,109
Deficit for year	100,142	81,864
Add: Prev. surplus	117,704	201,509
Bad debts rec.	1,070	2,756
Less:		
Addit. inc. tax. pr. yrs.	1,383	4,697
Bal. car forward	17,249	117,704

† Loss.

The company derives nearly all of its business from building operations and municipal construction. Both of these have reached a very low ebb, and Rutland H. New, president, in his report to shareholders, attributes the drop in municipal construction almost entirely to the policy of municipalities and governments in paying out direct relief instead of the more favorable method of supplying work for the unemployed. The management is hopeful that a recent change in policy in this respect will be beneficial to company's sales in 1934.

The company disposed of its Mimico property during the year as the other plants can carry all the business in sight for years to come. Sale of this plant relieves the company from the carrying charge attached to it. The loss on the sale of this property was charged to the capital surplus account which dropped during the year from $481,149 to $404,228, and the balance sheet valuation shown for real estate, buildings and plant, less depreciation, therefore dropped from $1,408,855 to $1,231,264.

Working capital position remains strong as shown by the following table:

Working Capital

	1933 $	1932 $
Current assets	986,737	1,069,040
Current liabilities	24,052	64,479
Working capital	962,685	1,004,561
Ratio	41.02—1	16.58—1

Cash went up during the year from $24,011 to $59,484 and inventories also grew from $311,414 to $331,928. Most other items showed declines, call loans from $84,616 to $58,005, Government bonds at cost from $594,882 to $506,124 and at market valuation from $600,335 to $509,142. Accounts receivable fell from $53,317 to $30,196. Accounts payable are $24,052 the sole current liability.

A new entry of $30,000 for a mortgage receivable on the Mimico property appears in the balance sheet.

General Manager

PHIL J. DUGGAN

Formerly sales manager of Dominion Motors, Ltd., who has been appointed Canadian general manager of Reo Motor Co. of Canada. Effective January 1, 1934, Reo will operate independently of Dominion Motors.

CANADA DRY ALE'S COMMON EARNINGS INCREASED IN 1933

Company Adds Beer, Whisky, Gin, Vermouth, Wine to Products Sold

Canada Dry Ginger Ale, Inc., earned in the year ended September 30, 1933, 89 cents a share on 512,631 no par value common shares outstanding as compared with 84 cents a share earned in the preceding year. Considering the intense severity of the decline in purchasing of consumption goods during the depression, this result is regarded as gratifying by P. D. Saylor, president. Working capital is lower due to the company's policy in deciding to value investments at market valuation of $1,683,719 on September 30, 1933, rather than at cost of $1,984,734 and there is $400,000 included in current liabilities as the balance of $500,000 brewery investment. The capital stock acquired as a result of this investment is not shown in current assets so that the position is much stronger than indicated by the bare figures.

Consolidated Income and Surplus Account,
Years Ended Sept. 30

	1933 $	1932 $
Gross oper. profit*	4,633,957	4,873,505
Less: Selling exps.♦	3,989,220	4,093,222
Net operating profit	644,737	780,283
Add: Other income	145,535	136,827
Gross earnings	790,272	917,110
Less: Misc. deductions	77,326	93,232
Net earnings	712,946	823,878
Less: Depreciation	202,481	331,325
Interest	202,481	10,736
Income taxes, est'd.	46,310	57,995
Net profit	457,087	423,822
Less appropriations:		
Dividends in cash	507,959	605,204
Mix. items††	8,761	1,264
Taxes prior years	50,548	...
Prov. for res.‡	308,160	...
Write down■	423,304	...
W/o cap. surp. chgs.	41,292	...
Res. for prop. adj.	13,819	...
Add: Adj. to work. cap.	33,681	10,599
Adj. deprec. res.	477,916	...
Unclaimed wages	8,251	...
Surplus for year	*371,409	172,047
Prev. surplus	4,527,336	4,699,383
Bal. forward	4,155,927	4,527,336

♦Comprising advertising, selling, distributing and administrative expenses.
•These amounts remain from sales income after deducting the manufacturing costs (before depreciation) of goods sold.
††Includes loss on disposal of machinery, etc.; additional taxes applicable to preceding year.
‡To reflect shrinkage in market value of investment securities.
■Write down of book val. of delivery cases, and w/o of improvements to leased properties, etc.
*Deficit.

Working Capital

	1933 $	1932 $
Current assets	4,154,685	4,477,792
Current liabilities	803,305	498,553
Working capital	3,351,380	3,979,239
Ratio	5.17—1	8.98—1

Branches Into Alcoholics

The company's operations now cover nearly every profitable part of the entire beverage field. It has 25 per cent of the stock of Hupfel Brewing Co. of New York City by an arrangement whereby it can change to a first mortgage for $500,000 on New York City real estate valued at $1,400,000. There are no securities or debt obligations ahead of this common stock. Canada Dry is to do all the merchandising of the product. Complete modernization of the Hupfel plant will be completed by January 1, and Canada Dry will be marketing the company's product in the Metropolitan area of New York by next spring.

Arrangements have been completed as well for distribution of well-known brands of whisky, gin, wines and vermouth. The company will be distributor in the United States of Johnnie Walker Scotch whisky, Sandeman ports, sherries, and Madeiras and Cinzano vermouth. Penn-Maryland, Inc., will make for Canada Dry to distribute "Canada Dry's Gin" and "Old Log Cabin" and "Cedar Brook" bourbon and rye blends. Satisfactory volume for the company's new sparkling water is reported.

The company reports that the building of a coast plant has improved its competitive position on the Pacific Coast in the United States. Sales of Canada Dry products in the United States and Canada generally, exclusive of general line beverages, declined by ounces less than one half of one per cent from the preceding year. The competitive position generally, therefore, in the view of the management has been improved during the depression in readiness for the time when business is more active.

Howard Smith Paper Promote Sales Effort

From Our Own Correspondent

MONTREAL. — Intensive sales efforts are being made by Howard Smith Paper Mills to stimulate the volume of sales in fine papers and other grades manufactured at their various mills. The latest promotion scheme is the distribution of a new booklet entitled "Expressive Letterheads." It contains an interesting selection of letterheads, ranging from a ship-yard letterhead to that of a financial institution. Each design selected is significant of and characteristic to the individual business.

B. C. Education Costs

Hon. G. M. Weir, new B. C. minister of education and a well known economist, has stated that educational costs per capita are less now in B. C. than they were twenty years ago. B. C. costs in this connection are less than on the prairies and in Ontario, he contends.

DOMINION GLASS INCOME HOLDS UP DURING PAST YEAR

Balance Sheet Stronger With Debt and Mortgage Redeemed

From Our Own Correspondent

MONTREAL.—Financial returns of Dominion Glass Co. on its operations during the year ended September 30, 1933, are better than would appear from a casual reading of the statement.

The official income account shows a deficit of $146,122 after providing for all charges; in other words about $51,000 was available to take care of dividends on the common stock totalling $212,500.

Examination of the balance sheet shows that while the net working capital position of the company declined $431,366, the company was able to redeem $465,700 of bonds at maturity, wipe out a mortgage of $120,000 and spend $58,581 on plant additions. Actually earnings were almost sufficient to take care of the common dividend.

Earnings Were Maintained

Net earnings, as reported by the company, after writing off $160,000 for depreciation, totalled $329,519. This compares with a net income of $359,646 and a depreciation charge of $180,000 in the preceding year.

Following is the profit and loss account for the past three years:

	1932-33 $	1931-32 $	1930-31 $
Profits	329,519	359,646	409,355
Bond int.	15,851	27,808	34,850
Balance	313,668	331,838	374,496
Pfd. divds.	182,000	182,000	182,000
Balance	131,668	149,838	192,496
Com. divds.	212,500	212,500	297,500
Surplus	d80,832	d62,663	d105,004
xExch., etc.	*65,290	32,941	......
Balance	d146,122	d95,604	105,004
Prev. surp.	1,255,081	1,350,685	1,455,690
P. & L. bal.	1,108,958	1,255,081	1,350,685

d—Deficit. x—Premium and exchange on bonds redeemed and drawn for redemption. *—Including $6,032 loss on realization of investments.

Working Capital Position

	1933 $	1932 $	1931 $
Cur. assets	3,379,425	3,805,757	4,035,523
Curr. liabs	763,991	758,957	905,897
Net w. cap.	2,615,434	3,046,800	3,129,626

Preferred Ranks Senior

Dominion Glass financial statement as at September 30 last is stronger than it was a year ago. With the funded debt retired, the preferred stock now ranks as the senior capital issue. No change has been made in the amount outstanding of either the preferred or common stock.

Current liabilities show moderate changes, while $120,000 liability on property purchased has been cleaned off the books. Depreciation reserve has been increased to $3,101,498, while the surplus stands at $1,108,958.

Among assets of the company, property account has increased from $5,695,212 to $5,753,793. Patents, rights, etc., are still carried on the books at $2,581,920.

Fewer Bonds Held

Inventories and accounts receivable remain about the same. Government bonds have liquidated to the extent of about $202,0000, leaving a balance of $708,507. Cash on hand has declined from $389,378 to $120,679.

The trust account of $81,717 has been wiped out with the retirement of the bonded debt. Investments are unchanged, while deferred charges show a minor advance to $52,242.

During recent months the president, Sir Charles Gordon, reports an improvement in demand for the company's products. This is looked upon as favorable from the point of view of the common stockholders as during the current year the company will not have to contend with such charges as bond interest, sinking fund payments, premium on American funds, etc.

EAST LAMBTON FARMERS LOAN TO SELL ASSETS

Industrial Mortgage & Trust of Sarnia is Purchasing Company

Industrial Mortgage & Trust Co., of Sarnia, will acquire the assets and business of East Lambton Farmers Loan & Savings Co. upon ratification by shareholders of an agreement made by directors of the two companies. The agreement provides that the amount to be paid to shareholders of East Lambton Loan will depend upon the amount realized on the assets of this company since it is not found desirable to place a present value on these assets based on present economic conditions. The office of East Lambton Loan in Forest, Ont., will be continued as a branch of Industrial Mortgage & Trust Co.

The purchasing company was formed in 1889 as Industrial Mortgage & Savings Co., the present name being taken in 1928. Assets at the end of 1932 totalled $4,281,005 of which $1,241,675 was in capital account. Estates, trusts and agencies totalled $364,201; guaranteed investment certificates outstanding totalled $1,800,297 and deposit liabilities were $842,443. The company had a strong liquid position, cash and bonds amounting to some 99 per cent of deposit liabilities. Capital outstanding consists of 12,700 shares of fully paid up $50 par value stock. Reserve was $580,000.

East Lambton Farmers Loan & Savings Co. was formed in 1891 and has largely confined its business to the County of Lambton with its office at Forest. Assets totalled $765,113 at December 31, 1932. Liabilities included $268,118 of debentures outstanding and $142,799 of deposits. On the 10,000 subscribed shares of $50 par value, $262,600 had been paid in. General reserve was $69,113. The company's liquid position was low and mortgages and real estate totalled $447,234.

Petroleum Production in U. S. A.

Crude petroleum production of the United States was limited to 2,338,500 barrels per day during October. The Texas railroad commission issued an order reducing daily production in that state to 957,555 barrels or 7,445 barrels below the state quota. Oklahoma and Kansas state bodies issued orders that the federal quotas must be obeyed by producers and purchasers.

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What Japan Buys

Japan's largest imports from Canada for the first nine months of 1933 were wheat, lumber, paper, lead, zinc, and newsprint. Imports of wheat from Canada amounted to 3,042,575 bushels valued at 7,287,661 yen as against 3,575,174 bushels valued at 6,765,401 yen in the same months of 1932, a decrease in quantity although an increase in value. Canada's contribution, however, was 18.5 per cent of Japan's total wheat imports as against 15 per cent in last year's period, against 79.5 per cent and 82.1 per cent from Australia in the respective periods.

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SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

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U. S. Views Canada as Competitor But President Not Unfriendly

Canada Most Intimately Affected of Any Nation by New Deal Programme at Washington

By J. L. BURTON LEWIS

As the "New Deal" of President Roosevelt in the United States comes in contact with a world that is very old and set in many of its ways, Canada is one of the first countries to be affected.

The President, in his rôle as "chief exponent of the experimental mood in action," has the United States as his laboratory specimen. But the Dominion, because of its geographical location, the distribution of its external debt, the influence of established habits of trade, and the relation between the currencies of the two countries, is almost as sensitive to certain of the treatments being administered as is the patient for whom they were prescribed.

Are Keen Competitors

Canada not only buys more and sells more in the United States than in any other country, but has also, on the basis of an average of several years, had the United States as her chief raw products competitor in a number of important foreign markets. Since all three elements in it will be influenced in some measure by one or more of the Roosevelt experiments, it is evident that this country has a highly particularized interest in developments in the neighboring republic.

If Canada—offering an extravagantly imaginative example—felt the full impact of continued undervaluation of the United States dollar, and no compensatory forces were at work, her sales to the United States would decrease, her purchases there would mount and her competition from the United States in other markets would become much more severe. Judged in relation with her total trade, Canada's proportion of loss under all these headings would be more serious than that of any other nation, if—and it's a big if—monetary manipulation infallibly brought such definite, sure-fire results.

Special Nature of Problem

The proportion of Canadian goods sold at export either to the United States or in competition with it is twice as high as that for Great Britain. In the four-year period ending with 1932 something more than 94 per cent of Britain's export business was with countries other than the United States, and of that total only about 35 per cent appeared competitive with United States products. In the same period only 58 per cent of Canada's exports were to countries other than the United States and, under a broad estimate, United States lines are sold in competition with about 60 per cent of such business.

This rough analysis shows 76 per cent of Canada's export trade as with the United States or in competition with it, compared with 38 per cent for Britain. Similar comparisons with other countries serve only to emphasize the special nature of Canada's trade relations with the neighboring nation.

No important conclusions as to the influence the Roosevelt programme will have on Canada's future trade can be based upon such findings, for they represent only one factor in an extraordinarily complex equation. It will not be possible to produce estimates worthy of serious consideration until a great deal of evidence has been added as to how far under its real value the United States can force its dollar; how long it can hold it at a selected level, and what form of resistance will be offered by other nations if they are injured in the experimental process.

Little Effect as Yet

The figures given do nothing more than hint at a potential problem. All opinions advanced regarding the ultimate outworking of the programme sponsored by President Roosevelt must be put forward on a contingent basis. Judgments have little final value so long as the premises upon which they are founded remain in a state of flux. Tentative findings regarding the influence of present United States policies must be qualified with recognition that such influences will be modified or reversed if the policies fail or undergo fundamental revisions.

So far but little influence upon world commerce has been exerted by the successful efforts of the United States to drive the exchange value of the dollar below its "equilibrium rate" or "purchasing power parity," yet this is the feature of United States policy which offers the greatest threat to world and Canadian commerce.

During November the London Economist, using the Cassel formula of "purchasing power parity," calculated that the pound should have an "equilibrium rate" of between $4.10 and $4.30 and, on this basis, found the United States dollar undervalued by more than 20 per cent. Under the same method, an independent estimate fixed United States money as undervalued by almost 15 per cent in relation with Canadian money.

Not All Advantage

There has been a tendency to accept the view that the extent of such disparity presents an exact measure of the advantage enjoyed in world trade by the country with undervalued money, though the experiences of France, Germany, Britain and the United States have all demonstrated the fallacy of such an opinion.

So long as the dollar dances it is difficult for United States exporters to quote stationary prices or arrange terms of settlement. While the dollar is declining in value, buyers have a tendency to delay purchases, in the hope of securing still greater advantages. Further, when anything resembling permanent undervaluation is attempted, rising costs usually blot out a large part of the benefit which seemed likely, at first glance, to accrue to the country carrying forward the programme of depreciation.

See Equilibrium Again

This factor is of particular importance in the case of the United States since wage increases and mounting prices for commodities are among the fixed objectives of the American experiment in planned economy. It is quite possible—if not probable—that the element of rising costs will, within a brief period, bring Canadian and American currencies back into virtual equilibrium. At the least it can be said with reasonable certainty that present trends are tending to level off the advantages which seemed likely, for a time, to go to the United States.

Important Imponderables

In any event "equilibrium rate" is nothing more than a mathematical proposition and it fails to take into account a great many imponderable but influential forces. Through the Ottawa agreements, for example, the British nations have "canalized" a large part of their external trade, and Great Britain has carried this principle even further, in her agreements with the Argentine and the Scandinavian countries. Commerce covered by such pacts is apt to continue despite currency fluctuations.

The presence of a great many United States branch factories in Canada also creates a special condition which cannot be calculated in terms of "purchasing power parities," but which may be helpful to this country. If American money becomes undervalued to a point that many countries levy dumping duties against United States products, or if rising costs counterbalance the benefits of under-valuation, Canada will reassume increasing importance as production point for counterparts of United States articles to be sold at export.

When Money Flies Home

However, the final test of the effects of the United States monetary policy upon the world at large is likely to hinge upon the question of whether that policy is sound or fatuous, in terms of American objectives. So far it has not produced the results expected of it by its sponsors. Few economists believe the dollar was seriously overvalued at the time the gold standard was abandoned. Bear attacks on the dollar, based on lack of confidence, rather than any natural economic causes, have brought such depreciation as has resulted since the country went off gold. Any move which re-established confidence in American money would start a tremendous flight of capital back to the United States and bring the dollar back rather close to its old level of exchange value. There are limits to the artifices that can be used in holding a currency at a level below its real value.

Perhaps there is more danger of the policy itself breaking down than there is of the policy wrecking the trade of other countries.

Meanwhile, as this feature of the Roosevelt programme works itself toward a conclusion which can scarcely be reached for several months, Canada is saving many millions of dollars in payments on New York indebtedness, through having her dollar move above parity with United States funds.

Import Quota Powers

There are, of course, a great many other ways in which newer United States policies are capable of affecting Canadian interests, but they, like the money plan, must be allowed to go further in practice before it is practical to weigh their importance, even in theory. Authority has been established whereunder the country can set up import quotas or give export subsidies. It is probably safe to assume, though, that these powers will be used only in case of what seems to be a serious domestic crisis.

The readiness of President Roosevelt to use these or any other devices, however, if he became convinced of their utility, and regardless of international reactions, should not be doubted or overlooked.

Attitude on World Issues

The President's attitude upon world issues can be weighed less readily than any of his actions.

Mr. Roosevelt has made three spectacular but unproductive sorties into the realm of world affairs—once by inviting leaders from ten nations to Washington, once with a gesture in the cause of peace, and again through United States participation in the World Conference. He has contradicted himself repeatedly upon most of the issues involved in these actions. In this field he has not exhibited the clarity of purpose that has marked his domestic programme. No matter how much he has talked the language of international collaboration, he has consistently acted the part of a nationalist.

The opening words of the party platform on which he ran for office were: "In this time of unprecedented economic and social distress, the Democratic party declares its conviction that the chief causes of this condition were the disastrous policies pursued by our government since the World War of economic isolation," and declared for a "competitive tariff for revenue." But Mr. Roosevelt has probably moved his country as far in the direction of isolation as any former president and can scarcely be considered a sincere believer in lowered tariffs.

The President thinks of the United States as a concern engaged in a world business, and views all other nations as competitors. He is an internationalist, to the extent that he would like to see all these countries brought under control of codes of fair competition, such as N.R.A. codes in the United States. But he would like to write those codes himself and, since that appears impossible, he follows a "tit for tat" international policy.

If he thought a certain policy would serve the United States and at the same time injure some other nation, he would disregard the other nation entirely. If it serves his purpose to force France off gold, he will do so if he can. It served his purpose to fix small quotas for liquor from some countries and an unlimited quota for others, such as Canada, and he did so. He would be just as ready to let one nation send pulp, sugar or rye, and others none.

As between nations, he will be most generous toward those which are in the least competition with the United States and harder with the others, as evidenced by the fact that his present principal foreign negotiations are with Colombia, Brazil, Portugal and Sweden, rather than France, Britain and Germany.

He would like, because of the close community of interests between Canada and the United States, to treat the Dominion as one of the less competitive nations but has, so far, been unable to reconcile this leaning with his policies. He has, however, rejected the insistent pleadings of certain permanent advisers in the State Department that he should attempt to drive an entering wedge into the Ottawa agreements. Such effort was suggested even so recently as when the liquor quotas were being fixed. Major W. D. Herridge, Canadian Minister at Washington, who has had little to do recently, other than bite his fingernails, as the American nationalistic policy has developed, got and used a chance to sustain the President in his conviction that there was no possibility of wrecking the Empire pacts.

"America Self-contained"

While the present United States foreign policies were being evolved, Samuel Crowther wrote "America Self-contained," and said on his first page:

"We in the United States have today no friends among the nations of the earth, but we have many bitter enemies—the more bitter because they are presently without the power to harm us.

"This, and only this, have we accomplished by dint of nearly two decades of insistent meddling into the affairs of other nations.

"We are back from our crusades, richer perhaps in experience, poorer certainly by upward of twenty billions.

"Luckily we have escaped wholly tangling our affairs with those of the world. Equally by luck we have almost achieved isolation.

"Fortunately we need no friends; fortunately we need fear no enemies."

If Mr. Roosevelt were to voice any such thoughts he would, of course, employ far greater suavity. It is not unfair to estimate, however, that the opinions advanced are surprisingly close to his own.

ACTIVE WINTER FOR LUMBERMEN IN NEWFOUNDLAND

Newfoundland Railway Also Planning Two Barter Proposals

From Our Own Correspondent

ST. JOHN'S NFLD.—This coming winter promises to be a busy one in the Newfoundland lumber woods. The Department of Agriculture and Mines has lately granted cutting permits for the season's work. Approximately 650,000 cords of wood will be cut. Of this amount 383,000 cords will be pulp wood to supply the demand of the mills at Corner Brook and Grand Falls.

As only some 100,000 cords were cut last year, the increased opportunity for employment does not come amiss to the thousands of fishermen and woodsmen at present in straitened circumstances.

Price $2 on the Bank

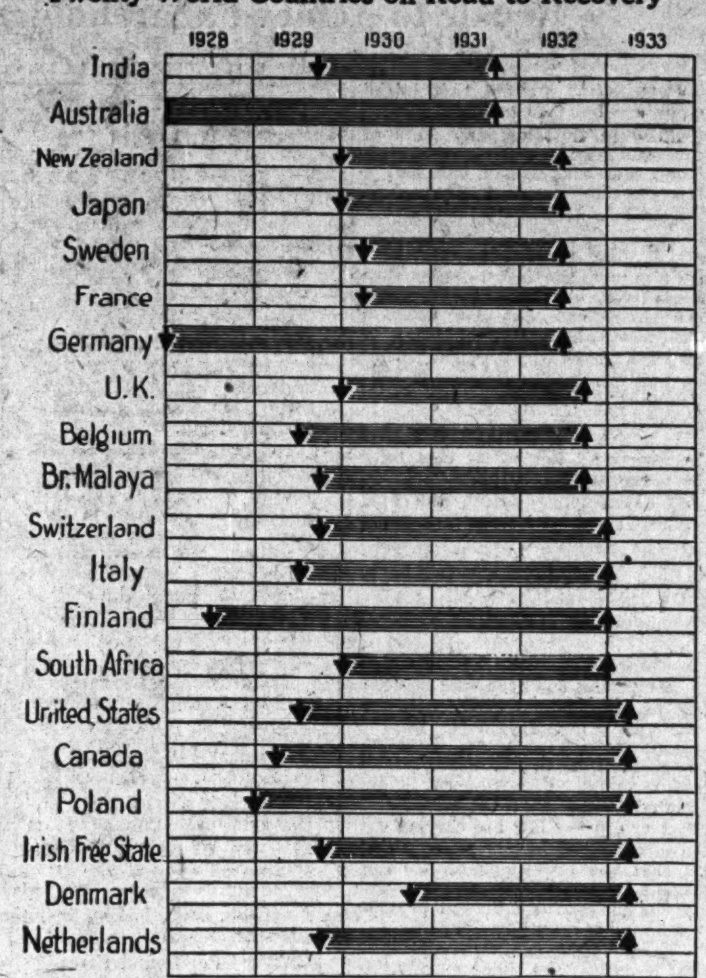
The balance of the cut will be for lumber, railway ties and pit props, and for fishery purposes. The price per cord will likely be $3.75 or $2 on the bank. Whilst the woodsman's rate of pay will be but $1.35 a cord, this price is considered satisfactory because the great majority of men will be employed near their homes.

The Newfoundland Railway has arranged to barter some 50,000 tons of coal from mines in the United Kingdom in exchange for pit props. A similar transaction made last year was most satisfactory. The railway has also effected a further exchange with the Wabana mines; 25,000 tons of iron ore are being taken for 7,500 tons of coal. This exchange is an experiment. It is hoped that it will lead to the establishment of a regular outlet for Wabana iron ore in England.

Dosco's Position Better Than Year Ago, Says Moore

From Our Own Correspondent

MONTREAL.—Dominion Steel and Coal Corp.'s position at this time is considerably better than a year ago, in the opinion of Sir Newton Moore, president of the enterprise. More than 400,000 tons more coal has been mined this year to date than in the same period last year, while there are enough steel orders on hand to keep the mills going to the end of February and perhaps to the end of March.



This chart presents in graphic form the results of a world economic survey undertaken by the League of Nations as to the fall and rise of business activity in leading countries.

The arrow at the left indicates the time at which a definite downturn in business commenced after allowance for seasonal variation. On the right the arrow indicates the turning point in national affairs as closely as can be measured by statistical data. In three instances, namely, United States, Czechoslovakia and United Kingdom, one previous upturn had occurred which proved subsequently to be a false start. Data for the second quarter in 1933 is also provisional and there is the possibility that a similar relapse may yet be experienced by countries which now seem to be on the road to recovery.

The data is a combination of statistical series reflecting in each country changes in the national income. For industrial countries most stress has been laid upon production and unemployment; in other countries the value of foreign trade and the harvest have been utilized. Seasonal fluctuations have been eliminated. In this chart by The Financial Post the countries have been arranged in the order in which they recorded an upturn.

U. S. Securities Law Is Due for Reform

Ink Hardly Dry on It, but Modification Is Regarded as Essential at Early Date

By DR. GAINES T. CARTINHOUR
New York University.

NEW YORK.—Investment bankers are encouraged by the announcement that President Roosevelt favors modification of the highly restrictive Securities Act in order to facilitate the movement of capital into new security issues and for refunding operations. It would seem, therefore, that there will be a reasonable revision of the act in the next session of Congress. Such action is advisable, if for no other reason, in view of refunding operations confronting private business involving $600,000,000 in the next six months, and about $1,500,000,000 in the next eighteen months. (The act was passed by Congress early this year to protect investors from designing promoters).

"Let Sellers Beware"

The act, as now constituted, is unsatisfactory and is retarding the recovery in business. Bankers approve its fundamental purposes and went on record at their recent convention as favoring for the first time the principle laid down by President Roosevelt that the time has come for the sellers to beware. As the months have gone by it has become obvious that certain amendments are vitally necessary.

This enactment holds particular interest for Canadians because it has already led to a demand for greater protection for Canadian investors. It is of vital interest to Canadian investment bankers who sell securities in the United States and Canadian investors who buy new American securities.

It does not seem advisable for Canada to rely on provincial statutes exclusively, and the Dominion government will soon be faced with the problem of enacting a Federal securities law. The total of fraudulent or misrepresented flotations in in recent years has been substantial and provincial legislation has failed to prevent investors from suffering heavy losses. Canada will want to benefit from American experience and avoid the serious mistakes that have been made.

Stoppage of Investment

The result of the act up to this time, together with other important factors, has been an almost complete stoppage of new general market corporate underwritings for capital investment and many difficulties in connection with refunding and readjustment of old issues. For example, in October despite normal maturities, there were no refundings, and the total value of new issues was less than for March (the bank holiday month), the previous low point.

During the first ten months of the year, new capital issues totalled only $569,000,000 (exclusive of government offerings and refunding issues), a new low record, and only about half the total for the same period last year. In London, on the other hand, according to the latest available figures, the amount for the same period was £114,000,000, compared with £98,000,000 in 1932, and £81,000,000 in 1931. The Securities Act alone is not responsible for this difference between the two markets. The gold policy of the American government as well as the fear of inflation have also been factors tending to reduce the amount of long-term financing.

One unexpected development has been that the great majority of securities filed for registration representing those of so-called investment trusts, breweries and distilleries, and mining companies. Only a very small percentage are those of companies whose stock is listed on the New York Stock Exchange or the New York Curb Exchange. The lack of high grade bond issues and the almost complete predominance of speculative securities indicates only the latter type is willing to assume the liability responsibility of the act.

The gravest obstacles in the practical operation of the law are the indefinite liabilities imposed upon industry and upon security dealers. Conservative managements are not offering the securities of their corporations to the public in view of the liabilities that all assume who sign the registration statement. Many corporations are undoubtedly ready to undertake long-term financing but no officer or director or banker is going to sanction a type of financing which makes him personally liable for anything unforeseen that can happen to an issue within the next ten years. It is impossible to secure the services of reliable experts to certify statements appearing on the registration statement for the same reason. It does not seem conceivable that a law could have been passed making a country dealer who handles $15,000 of a $5,000,000 issue liable for the entire five million.

No Distinction Shown

Furthermore, the law makes no distinction between corporations that have proved the worth of their securities over a period of years and those of newly formed, untried and speculative undertakings. It appears incredible, for example, that a corporation, such as the American Telephone and Telegraph Co. should be subjected to the same routine and formalities in effecting the registration of a new issue as would be required of a newly formed and speculative enterprise.

A great number of defaults and bankruptcies are bound to occur unless the necessary modifications are made, and these include companies with adequate security for new bond issues in the form of physical property and earning power. Some companies could ordinarily make temporary arrangements for bank credit to tide them over a maturity with the idea that when bond market conditions improve, a bond issue could be floated and the banks reimbursed. With the Securities Act in force, however, ordinary commercial banks hesitate to grant such accommodation because a loan of that kind would be just so much more frozen credit, to be thawed out only when investment bankers felt they could safely undertake long term refunding.

It is significant that public utility maturities in the first six months of 1934 approximate $134,000,000 and in the last six months another $133,000,000 will be added. These figures do not represent exactly the amount of utility financing that may be jeopardized if the act remains in its present stringent form but closely approximate it.

Our "Foreign Securities"

As is well known, for the first time in the history of public financing in the United States, Canadian bonds (federal, provincial and municipal) are now treated as foreign securities. Security dealers specializing in Canadian securities have not only refrained from offering new securities of this class in the United States, but they have also been doing comparatively little toward making a market for outstanding Canadians. In order to follow the most conservative path under the act they have been doing nothing more than quote the bonds when an interested investor came along. Fortunately, according to reports, a start has recently been made toward restoring normal trading conditions in the more important Canadian issues.

Unquestionably, the lack of a long-term investment market is holding back jobs for a very large number of people. Advances by the Federal Government over a period of time help employment but do little good in comparison with that done by the volume of funds normally available for business purposes through the capital markets. More than $89,000,000,000 in new and refunding capital has been floated in the United States in the last fourteen years and with capital flotations stopped, the re-employment which ordinarily would flow from private funds is stopped.

Modify Case For Claims

In regard to losses by purchasers due to untrue statements made by the issuers and underwriters, the act will have to be modified so that damages would be limited to actual losses. It should also more clearly describe that portion dealing with omissions of pertinent material. Anything omitted at the time of filing which seemed immaterial or could not be reasonably foreseen should not be considered as a material omission. A purchaser should be limited in his right of recovery to the particular underwriter who sold him the securities and only for actual damages suffered.

As the law now stands, it is possible for a purchaser, who buys stock in good faith but which involved legitimate losses through business recession or otherwise, to hire a sharp lawyer to search out some particular in which the corporation had made a mistake and sue on that basis for recovery of his entire investment. The law, as now constituted, presents many opportunities for such action.

Sells Co-ordination

The most important changes will probably be reducing or making reasonable the civil liabilities section subjecting corporate officials, accountants and others involved in security flotations to the danger of suits for damages if all does not go well with the investors. If the necessary major changes are made, minor ones will probably be eliminated as a practical matter or corrected in due time. The administrative powers of the Federal Trade Commission may be increased in order to permit flexibility in certain unusual cases.

Reasonable amendments should be made to the act while retaining its present framework. Efforts to co-ordinate such amendments are now being made by the Federal Trade Commission, the Treasury Department, and the Department of Commerce. Business recovery in the United States cannot come along satisfactorily without a wholesale revival of confidence in industrial circles, readily available long-term investment funds, and a renewal of activity in the capital producing industries.

South Africa Wins U. K. Market By Sound Merchandising Plan

Government Controls All Grading While Co-operative Associations Band Producers Together

By J. K. ROSS-DUGGAN, Editor, "Canadian Trade Abroad"

The Union of South Africa is essentially an agricultural country and its exports comprise mainly primary products and unmanufactured goods.

From a marketing angle the South Africans early realized that Great Britain offered the most important market for the majority of their export goods.

South Africa's most remarkable achievement has been the development of a very satisfactory business in highly perishable commodities, whereby such items as citrus and deciduous fruits, eggs, butter, cheese and meat are carried over a steamer journey of from 17 to 23 days crossing the equator on the way.

Is Seasonal Market

South Africa must ship her exports of citrus and deciduous fruits within certain definite and limited seasonal periods in Great Britain in order to avoid glutted markets and impossible prices. In the matter of oranges, for instance, Palestine, Spain and Italy supply the British market from approximately December to April of each year. Then from May to November, South Africa, Brazil and United States are the sources of supply. This year, Spain, by means of a bounty subsidized a very large export of fruit to the United Kingdom, which was landed off season during June, July and August and caused a very disastrous price situation for South African fruit. Cargos of South African fruit were actually dumped into the harbors on the west coast of England in the absence of any price.

South Africa has averaged 45 per cent of the aggregate yearly imports of peaches into Great Britain from 1926 to 1930. From 1927 to 1932 she practically doubled her exports of oranges to the United Kingdom.

The marketing of such staple and non-perishable products as wool and metals does not provide a very complicated problem. Her wool is sold at the London auctions and competes very favorably with Australian prices. Metal export prices are, of course, dictated by the world price situation.

But in the matter of perishable commodities, the South African producers have realized that it is absolutely necessary for them to perfect their production and marketing procedure.

As a result, the South African government has taken over the entire responsibility for grading. In order to provide for the control of perishable products for export, the Perishable Products Export Control Board was established in 1926. This board consists of three business members appointed by the government and three representative members appointed also by the government, of whom one is a representative of the citrus fruit industry, one a representative of the deciduous fruit industry and one a representative of the egg and poultry industry. Provision is also made for the appointment to the board, of representatives of any other kind of perishable products of which there is a surplus for export of good grade and quality.

The board has powers very similar to those possessed by the New Zealand export control board. It has complete control of the order of shipment of all perishable products and may determine the ship by which any particular parcel of goods shall be conveyed. It may exercise powers regarding the handling of perishable products, both in transit and in cold storage, and may divert perishable products to such ports of shipment as are, at the moment, most suitable.

Co-operatives Strong

The benefits of agricultural cooperation have been long recognized in South Africa. Under the laws, individual persons, numbering not fewer than seven in the case of Agricultural Co-operatives and not fewer than 25 in the case of Co-operative Trading associations may form a "local" organization to perform local service for the members. Two or more locals may form a "central" company which specializes in the sale of a particular kind of product and which acquires and supplies requirements in bulk. Two or more "centrals" may again form a "federal" body, whose function it is to co-ordinate the activities of the "centrals" particularly in regard to the export sales of products and the import of requirements.

Co-operation has developed to a high degree in the fruit and poultry interests. Local fruit growers' co-operative societies and co-operative egg circles are everywhere in existence. Dairy producers have also organized into co-operative associations to an appreciable extent. At the head of the fruit and egg co-operatives there are now in existence the South African Co-operative Citrus and Deciduous Fruit Exchanges and the South African Poultry Association. Both the fruit exchanges have overseas representatives in London for the purpose of controlling the marketing and distribution of their products in Great Britain and on the Continent of Europe.

Thus South Africa has a control board which acts as a check upon the export sales activities of the various fruit exchanges and poultry associations, which in their organization comprise "central" companies composed of groupings of "local" organizations.

Scheme Self-supporting

The whole scheme of grading, inspection, research, marketing and publicity is self-supporting. There are specific inspection fees. To meet the other expenses, involved provision is made for levies on particular agricultural commodities. These proceeds are paid out to the various fruit exchanges, poultry associations and co-operative societies.

All perishable commodities exported from the Union to the United Kingdom are shipped on consignment to be sold on a commission basis by private treaty or public auction brokers, principally the former.

Direct overseas representation and control are today exercised only by the citrus and deciduous fruit exchanges. The trend seems to be in the direction of similar direct overseas representation and control of other commodities, when the volume of exports reached sufficiently large dimensions to warrant the maintenance of overseas offices.

Organized Advertising

Organized advertising in the United Kingdom of South African goods has so far only been conducted in regard to fresh fruit and eggs. During 1932, $45,000 was spent in advertising citrus fruits in the United Kingdom. The expenditure of this amount is controlled by the Overseas Citrus Fruit Propaganda Committee under the chairmanship of the trade commissioner, who is an officer of the Department of Commerce and Industry.

The South African Co-operative Citrus Exchange now handles 72 per cent of total exports. The exchange has a panel of firms in England to handle the distribution of South African citrus fruits. The overseas office of the exchange maintains daily touch by letter, wire or telephone with each salesman in every territory. The exchange is redoubling its energies to establish its citrus fruits on the British market, as it is only a question of time until the Brazilian growers of oranges will realize the opportunity for increasing their sales in the United Kingdom.

Many South African branded products, including fruits and canned goods have suffered from the fact that it has been the usual practice to endeavor to market these products under a multitude of different labels and trade names. This is contrary to the practice of well-known American and Australian brands, which have at least one complete range of all their canned fruits and fresh fruits bearing the same type of label.

The immediate effects of the Ottawa Agreement have been most beneficial to the South African fruit trade. Citrus fruits have benefitted greatly by the elimination of Californian competition, the restriction of Brazilian imports and from the curtailment of orange planting in Brazil owing to the uncertainty engendered by the new British fiscal policy.

The South African co-operative citrus exchange gives the following cardinal principles for consolidating the position of South African citrus growers in the British market:

1. The standard of quality must be maintained and still further improved.
2. The number of brands must be reduced and each brand must be identified in some way with its South African origin.
3. Advertising and propaganda must follow on a larger and more intensive scale.
4. Growers must work with a view to the marketing of practically 100 per cent of the crop through one distributive control.

Poultry Marketing

During last season the South African Poultry Association struck a little trouble due to lack of information regarding competition and some slight slackness in grading and too large a concentration of supplies on the London metropolitan market. During the 1932-33 season, 528,231 great hundreds of South African eggs were exported to Great Britain, but they had to face competition of something like 1,250,000 great hundreds of Australian eggs and the arrival of as many as four or five boats of the latter sometimes in one week all of which had the result that the prices were unsatisfactory, as Australian eggs set a lower price standard.

There has been some careless grading during the previous seasons, but during the 1932-33 season there has not been a single complaint, although the British Customs Authorities at Southampton held up one entire shipment of South African eggs on account of careless stamping.

There were some cases of bad mixing of white and colored eggs, which in some instances were packed in as low a ratio as one colored to 12 whites. The retailer who pays a premium price for a mixed box of this description is not likely to do it again. On the other hand, the Australians have made a policy of giving a good standardized mixture. Mixed boxes of eggs should be standardized so as to contain a minimum of 33-1/3 per cent colored to 66-2/3 per cent white, packed uniformly throughout each layer of the mixed box. There seems to be a definite demand both in London and in the provinces for a good splash of color in boxes of eggs. The public seems to be attracted by mixed displays. In addition, the retailer avoids the trouble and cost of purchasing white and colored eggs in separate boxes and of having to mix them himself.

Have Learned Lesson

The detailed attention which such far distant sources of supply as Australia, New Zealand and South Africa give to the minute grading, inspection, preparation, packing and marketing of their highly perishable products show that they have learned their lesson of supplying the quality merchandise which the British market requires. That they have been able to do this up against home and adjacent sources of supply is indeed very creditable. Canada is only 5 to 12 days distant from the British market and should therefore be in a good position to obtain a larger share of food products imports into the United Kingdom.

Mr. Ross-Duggan recently returned to Canada from his seventh visit to the United Kingdom and Western Europe. He made a two-months survey of these territories for Canadian exports. He is writing several articles on export trade possibilities for Canada and on the marketing systems of our chief competitors.

This is the tenth article in the series.

War on Waste

Over $18,000,000 was spent in the departments of agriculture of the ten provincial and federal governments of Canada in their fiscal years ended in 1932, the last for which comparable figures are available.

The nine provinces spent over $8,000,000, as follows:

	$
Prince Edward Island	53,962
Nova Scotia	291,305
New Brunswick	201,879
Quebec	3,630,123
Ontario	2,017,618
*Manitoba	308,324
Saskatchewan	459,565
Alberta	767,219
British Columbia	410,367
Total	8,140,362

* Includes immigration.

Then the Dominion spent $10,211,465 in its department of agriculture in administering overseas exports, studying new developments, and so on. The total cost to Canada of these ten departments was $18,351,827.

Whether or not the provinces and the Dominion are duplicating efforts in these ten departments is difficult to ascertain. A number of them operate experimental farms through which duplication may occur. Executive costs of administering each department indicate duplication. Would it be possible to place agriculture under one central administration with provincial branches? By avoiding duplication in this manner could not substantial savings be realized?

Insurance for Buyer and Seller

NEW RULING ON INSURANCE DUE MARCH 1

Important Step Taken by Tariff Bodies This Week

AFFECTS ALL CANADA

Tariff Membership Impossible Unless Company Joins All Associations in Dominion

Decision to enforce the famous "in-one-in-all" ruling for all companies writing fire and casualty insurance in Eastern Canada was the big development of the deliberations last week at Toronto of the Canadian fire, automobile and casualty tariff bodies.

Although no official information is available as yet, The Financial Post understands that what the tariff companies did was to fix a definite date (March 1 next) at which all companies who are members of one tariff association, but not of the others, must decide whether in future they wish to be tariff or non-tariff in their underwriting.

That is to say, if the rule goes into effect on March 1, no company can retain its membership in the Canadian Fire Underwriters' Association unless it also agrees to become a member of the tariff body in the automobile field and the casualty field. The ruling will apply not only to underwriting in Ontario and Quebec but also in the Maritimes and in the West. Thus, it gets its name, "in-one-in-all," for henceforth an insurance company operating in Canada must join all tariff insurance organizations in the country if it wishes to join any. It cannot join one without joining all.

The tariff associations decreed that the new rule should come into effect on March 1, 1934. It will affect all member companies of the Canadian Fire Underwriters' Association; the Canadian Automobile Underwriters' Association; the Canadian Casualty Underwriters' Association; and the Maritime tariff bodies. A similar rule is already in effect in Western Canada. This makes the plan Dominion-wide and, therefore, one of the most important steps to be taken by tariff insurance companies in years.

Three Meetings Held

The occasion was the regular semi-annual meeting of the Canadian Fire Underwriters' Association at Toronto. By special arrangement the annual meeting of the auto and casualty associations had been postponed so as to coincide with this gathering of tariff managers and officials. All three meetings were held within three days last week.

How Ruling Will React

Immediate repercussions of this new ruling will be felt in several ways. First, it will affect important groups of companies, such as the Canadian Fire, the General Accident and the Union of Canton, which are now members of the C.F.U.A. in Ontario and Quebec, but are not members of the tariff associations in auto or casualty lines. If the new ruling goes into effect on March 1 they must decide whether they will be wholly tariff or else non-tariff.

Another angle is the predicament of such companies as those in the Canadian General group, which are members of the tariff body in Western Canada but are non-tariff in their underwritings in the rest of Canada. They too will have to decide whether to drop their tariff connection in the West or (in order to retain it) link up with the tariff associations in the rest of Canada.

Began in West

This important development which may have far-reaching effects in the insurance business in Canada before the end is reached, had its beginnings in the West many years ago. After the Great War the Western association found itself with a severe rate war on its hands, due to the operations of two ex-member companies. In order to restore order to the business the plan now contemplated in the East was inaugurated, namely, of organizing the territory on the clear-cut basis of "in-one-in-all" and in addition going a step farther and enforcing a separation rule among agents. The separation rule simply meant applying the in-one-in-all rule to agents as well as companies.

The plan has worked very successfully in the West, with the result that for some time now a move has been on foot to apply the same principle—certainly as far as companies are concerned—to the East.

Already on Statutes

Thus, last December the C.F.U.A. in annual conclave placed the "in-one-in-all" rule on their statute books but took no steps toward enforcing it. Subsequently, during 1933 a similar rule was introduced into the constitution of the automobile and casualty tariff associations.

It is this rule which it is now planned will become effective not only in Ontario and Quebec, but also in the Maritimes, as at March 1. It is already in effect in the West.

Casualty Move Approved

Tied up with this new ruling is the decision of the companies to move the Western jurisdiction of tariff casualty insurance from Toronto to Winnipeg. This plan which would put control of Casualty Association matters in the West in the hands of the Western tariff body, with headquarters at Winnipeg, was also approved by the Canadian Casualty Association at their annual meeting last week, it is understood, although no official statement has been made. Subject to ratification by the Western body it will probably become effective Mar. 1.

This will mean that henceforth the Western tariff body at Winnipeg will be able to act as a unit in all matters of policy since it will have under its jurisdiction the fire, automobile and casualty lines of its member companies.

Praises Great Social Benefit Of Insurance in Depression

High tribute to the manner in which life insurance has functioned to meet the emergencies of the depression, was paid by J. H. Lithgow at the annual meeting of the Canadian Life Officers' Association recently. Mr. Lithgow is general manager and actuary of the Manufacturers' Life and spoke in his capacity as president of the Life Officers' Association.

He said in part:

"Throughout this period of stress thousands of policyholders have lost their savings through speculation, have been threatened with loss of their homes or have become unemployed, resulting in many cases in desperate need of funds which were available from no other source. Under such circumstances they reluctantly turned to their life insurance policies, to the funds which were theirs and which, in a world of sinking values, were still worth their full value.

"The fact that so many availed themselves of that privilege in order to meet the emergencies to provide for which their policies were in part taken out, should not be regarded entirely as in the nature of a social loss. The payment of cash values in such circumstances represents the discharge of one of the important functions of the institution of life insurance.

"The cash values paid since 1929, amounted to no less than $204,014,665. The distribution of such a vast amount, of which much the greater proportion was disbursed since October of 1929, cannot be regarded but as of high social and economic significance. It is well that we should remember that, except for the claims put forward by the agents of the companies during the prosperous years on behalf of life insurance, much of this sum would have been unavailable."

PROVINCES PLAN FOLLOWING U. S. A. IN VALUATIONS

Same Principle Likely to be Adopted by Superintendents

Although no statement regarding the valuation basis to be used by provincial insurance superintendents in Canada for 1933, annual statements will be available until the end of this week, The Financial Post is informed that the provincial valuations this year will follow in principle the basis laid down by the United States insurance commissioners last week.

The meeting of the U. S. commissioners at New York was attended by R. P. Hartley, K.C., of New Brunswick, president of the Canadian Provincial Superintendents' Association and by Leighton R. Foster, K.C., of Ontario. These two officials constitute the valuations committee of the provincial superintendents and while in New York they attended the meetings of the American valuation committee and also held meetings independently to discuss valuations for 1933.

Work Closely Together

For two years now the Canadian provincial superintendents have worked closely with the U. S. officials and it is understood from assurances that were given the U. S. commissioners that the provincial valuation basis will follow that of the United States in principle at least.

The actual wording of the valuation basis prescribed by G. D. Finlayson, federal superintendent of insurance, for Dominion licensed companies, follows:

Bonds and Debentures —

(a) held on Dec. 31, 1932, and not since disposed of and not in default or intrinsically depreciated since the said date, the authorized values as at Dec. 31, 1932;

(b) acquired since Dec. 31, 1932, and not in default or intrinsically depreciated since the date of acquisition, the purchase price with any adjustment thereof through the interest account up to Dec. 31, 1933;

(c) other than those mentioned in (a) and (b) above, the ascertained values as at Dec. 31, 1933, or at a date not more than sixty days before the said date.

Preferred and Common Stocks —

(a) held on Dec. 31, 1932, and not since disposed of and not obviously intrinsically depreciated since the said date, the values authorized for use Dec. 31, 1932;

(b) acquired since Dec. 31, 1932, and not obviously intrinsically depreciated since the date of acquisition, the purchase price;

(c) other than those mentioned in (a) and (b) above, the ascertained values as at Dec. 31, 1933, or at a date not more than sixty days before the said date.

"The authorization of the foregoing basis of valuation is not intended to deter any company from adopting an actual market valuation as at Dec. 31, 1933. The department would suggest, however, that in any such case the investment schedules in the statement show the values authorized as above and that the adjustment to a market value basis be made by way of an investment reserve in the liabilities sufficient to bring the authorized values to actual market values."

NEW MANAGERS FOR PHOENIX GROUP

S. M. Elliott and A. H. Vallance Succeed J. W. Tatley of Montreal

Announcement is made of the retirement of J. W. Tatley, of Montreal, as the Canadian manager of the Phoenix Insurance Co. of Hartford, and a number of other companies on December 31. Mr. Tatley has held his present position forty years.

S. M. Elliott and A. H. Vallance have been appointed joint managers for Canada.

Mr. Elliott commenced his insurance career with the Phoenix Insurance Co. of Hartford some twenty to twenty-five years ago, while Mr. Vallance commenced his insurance career with the insurance firm of Robt. Hampson & Son, Montreal, subsequently joining the staff of the Phoenix of Hartford some twenty years ago.

In addition to the Phoenix of Hartford, the following companies are under the same management for Canada: Westchester Fire Insurance Co., Providence - Washington Insurance Co., Reliance Insurance Co. of Canada, Equitable Fire & Marine Insurance Co. and the Connecticut Fire Insurance Co.

Many Canadians Attend Life Meet at New York

Among Canadians listed as attending the 27th Annual Convention of the Life Insurance Presidents' Association at New York were the following: John Appleton, secretary-treasurer of the Canadian Life Insurance Officers' Ass'n.; A. H. Beaton, president National Life Assurance Company, Toronto; C. S. V. Branch, second vice-president, Sun Life of Canada, Montreal; B. Arthur Dugal, superintendent of insurance, Quebec Province; J. A. Ewing, legal advisor, Sun Life of Canada, Montreal; Chas. P. Fell, president Empire Life Insurance Co., Toronto; R. Leighton Foster, superintendent of insurance for Ontario; Rt. Hon. Geo. P. Graham, director, National Life of Canada; J. S. Ireland, Sun Life of Canada; C. S. MacDonald, president, Confederation Life Association; Earl D. Owen, manager, Sun Life of Canada, Montreal; J. G. Parker, actuary, Imperial Life, Toronto; A. Gordon Ramsay, assistant general manager, Canada Life, Toronto; E. E. Reid, managing director, London Life; Jas. W. Simpson, Sun Life of Canada; V. R. Smith, general manager and actuary, Confederation Life, Toronto; W. H. Somerville, general manager, Mutual Life of Canada; Hugh Wolfenden, consulting actuary, Toronto; Arthur B. Wood, vice-president and managing director of Sun Life of Canada; W. A. P. Wood, assistant general manager and actuary, Canada Life, Toronto.

Automobile Head

H. F. RODEN

Of the Canada Accident and Fire, who has been elected president of the Canadian Automobile Underwriters' Association. The new vice-president for Ontario is L. C. Evans, manager of the London & Lancashire Guar. & Accident Co. E. J. Kay, chief agent of the North British and Mercantile, is vice-president for Quebec for 1934.

AMENDMENT MADE TO OHIO CHARTER OF MUTUAL CO.

Central Manufacturers Will Now Write Non-Assessable Policy

Central Manufacturers Mutual Insurance Co. of Van Wert, Ohio, has amended its charter so that all policies in future will be non-assessable, according to a statement issued by Vance C. Smith, Canadian manager of this company. Central Manufacturers is the running mate of the Lumbermen's Mutual Casualty Co. of Chicago, and during 1932 showed net premiums written in Canada of $154,000 of which $90,000 were fire business and $64,000 automobile.

According to the statement issued by Mr. Smith, the laws of the State of Ohio, under which the company is incorporated, in common with the laws of most of the other states, permit a mutual to issue non-assessable policies when it has accumulated surplus equal to the amount required of a stock company as capital stock, in most states $100,000. The Central has surplus aside from voluntary contingency reserve of over $1,800,000. This surplus is therefore over eighteen times the capital stock requirement. Henceforth the surplus will stand in exactly the same position as does the combined capital stock and surplus of a stock company, as one measure of policyholders' protection.

Former Liability One Premium

Under the policies formerly issued by the company, policyholders in the case of difficulty were liable to an assessment not exceeding one full year's premium.

Central Manufacturers has been operating in the United States since 1876 and in Canada since 1923. The company boasts that in every one of its 57 years of operation it has returned a dividend to policyholders. The present rate of dividend is 25 per cent. In Canada the company has $100,000 on deposit with the receiver general at Ottawa to meet requirements of the federal law in respect of unearned premium liability.

Licenses Issued

The Fire Insurance Co. of Canada has been granted a Dominion certificate of registry to transact the business of sprinkler leakage insurance in addition to the classes for which it is already registered.

Certificate of registry was issued December 1 to "La Fonciere," Compagnie d'Assurances contre les Risques de Transports et les Accidents de Toute Nature, authorizing it to transact in Canada the business of accident insurance, automobile insurance, excluding insurance against loss of or damage to an automobile by fire, burglary insurance and inland transportation insurance. Mr. P. J. Perrin, Montreal, Que., has been appointed the company's Canadian chief agent.

Proper Company Laws Needed To Guard Interests of Investors

Many Weaknesses in Canadian Legislation in Need of Repair to Achieve Shareholder Protection

By W. S. FERGUSON, C.A., A.C.I.S.

> **Expert Analysis Of Company Laws**
>
> As a further contribution to the current demand for reform of company laws in Canada, The Financial Post publishes this week a special article by Professor W. S. Ferguson, a chartered accountant with many years experience in analytical study of corporation accounting methods in Canada.
>
> In addition to being professor of accounting at the University of Toronto, Mr. Ferguson also lectures in corporation finance at the U. of T.; directs the department of accounting education for Shaws School, Ltd., and is author of the textbook "Limited Companies and Their Accounts."
>
> The accompanying article is written particularly to urge the need of reform in Canadian company law from the viewpoint of the investor and shareholder and is especially timely in light of legal discussions now underway on this matter among leading jurisdictions in Canada.

Reports are current that initial steps are being taken toward uniformity in the Company Acts of Canada. While uniformity is an ideal, and a desirable one, not a few express the view that it is impossible. Whether uniformity in the company laws of the provinces and that of the Dominion is possible or not, the fact remains that some revision is necessary and, if the Acts can not be uniform throughout, there would seem to be no good reason why they should not be uniform in the provisions that would improve the company law in general.

It is not proposed in this article to review all the points that have been raised in the discussion that has taken place during the past year but some of these can stand further emphasis, and attention should be directed to them until more equitable provisions are put into effect, having in mind both Dominion and provincial jurisdictions.

Enforcement Only Secondary

Something has been said relative to the enforcement of the acts but that does not appear to be the main question at issue. Enforcement alone does not make provisions sound. Enforcement is intended to see that the provisions that are in the law are carried out in effect. The important essential is that the provisions of the law should be sound in themselves and of such a nature that will provide for sound corporation finance.

The advocacy of improvements is not a sign of the times merely except in so far as the conditions of the present time have brought to light weaknesses that were either not so apparent or the effects of which were not felt to the full extent during a period of prosperity. The agitation for improvement in the company law is not an empty one but is in the interests of sound finance. The complaints are not made against the operation of the acts as they stand but against the acts themselves as they stand.

Need For Sound Laws

Industry and commerce depend on the corporate form of business organization since it is under this form only that large scale production and the development of our natural resources are possible. To finance the corporate form of business organization, industry and commerce depend on funds from the public at large. The great mass of the public are not familiar with the subject of corporation finance and they must depend on assurances given them in law for a great measure of their protection. This means that there should be an assurance that companies are organized on a sound basis and that this sound basis should be prescribed by law. Security of investments should be assured in this way as far as possible.

The subject may be divided into two parts—one relating to the information that should be made available and to administration, while the other relates to the soundness in the financial structure of the companies. This latter, in particular, includes the subject of protection to the investor and to the creditor. Soundness of the financial structure is one of the first essentials.

No Par Value Shares

Much has been said relative to shares without par value and the suggestion has been made that these should cease to be permitted under company law. It would appear that it is not the feature of no par shares in itself that should lead to an unsound financial structure but rather the provisions of the law relative to shares without par value. The principle of no par shares would appear to be sound. The application, as permitted under the Federal and some of the provincial company law of today, is unsound. The proportionate interest of shareholders can be expressed in no par shares as readily as with par value shares, and probably to the advantage of the former since attention is not directed to a nominal or par value that may have little relation to the book value.

The whole of the consideration received by a company for the shares it has issued without par value should be recorded as stated or legal capital, and this should be required. The present provisions in Federal and some provincial com-

(Continued on page 22)

CANADA BOASTS MORE LONGEVITY THAN DOES U.S.A.

And Quebec Men Outlive Women, Survey Reveals

Canadians live longer, on an average, than the white residents of the United States, if Province of Quebec is omitted, according to an analysis of longevity recently completed by statisticians of the Metropolitan Life. His expectation of life at birth is 60.74 years, as compared with 59.31 for the white male in the United States. For females the figures are 63.23 and 62.83 respectively. The study covers the years 1929 to 1931.

Even if we include Quebec, which is less favorably situated as to mortality than the rest of Canada, it is still true from age one on, for males, and from age two on, for females, that the Canadian has a better expectation of life than the white population in the U. S. A.

Males Live Longer in Quebec

A striking feature brought out by the table is that in Quebec, contrary to the usual situation in most countries, males have a better expectation of life than females from ages one to twenty-eight.

Infant mortality in the United States is distinctly more favorable than in Canada. The probability of dying within the first year of life is only two-thirds as great among white infants in the United States as in Canada as a whole, and less than one-half as high as in Quebec.

Up to age seventeen, except at age two, white males in the United States have a lower mortality than males in Canada excluding Quebec, while among females this advantage extends up to age twenty-eight. After these ages, seventeen in the case of males, and twenty-eight in the case of females, the mortality is uniformly higher in the United States than in the Canadian provinces outside of Quebec.

At every age and for each sex, mortality in Quebec is greater than in the rest of Canada. In spite of this, male mortality in the United States is greater than in Quebec at all ages from twenty-nine to eighty-six, while among females this excess is limited to ages fifty to eighty-four.

Effect of Child Bearing

In the United States, among white persons, male mortality is in excess of female at every age of life. In Quebec, on the contrary, females have higher mortality than males over a large part of life, namely, from ages four to forty-five. The relatively high mortality among these women is no doubt in large measure due to the strain of child-bearing, in a region where large families are still the rule.

Order of Foresters Plans to Mutualize Insurance

Mutualization is proposed for the Ancient Order of Foresters in Canada. The Subsidiary High Court of the Order in the Dominion will apply to the Dominion parliament at the next session for the passing of an act incorporating the members of its life insurance fund as a mutual life insurance company under the name of "Ancient Foresters Mutual Life Insurance Company."

This company would have authority generally to carry on the business of life insurance in all its branches and forms and its act of incorporation would be amended accordingly.

New Insurance Policy for Doukhobor Schools

From Our Own Correspondent

REGINA.—The Saskatchewan government has arranged with an insurance company to reinsure the 60 Doukhobor schools in north-eastern Saskatchewan, on which policies were cancelled some months ago due to the number destroyed in incendiary fires.

A higher rate has been paid, the government announces.

Car Drivers in Quebec Get Full Merit Rating

Tariff Body Also Boosts Cost of "Guest" Policy from 50 Cents to $2 at Annual Meet

Extension of the "no claims bonus" to a full merit rating plan for automobile drivers in Quebec province and an increase in the charge for "passenger hazard" coverage in its entire territory were highlights of the annual meeting of the Canadian Automobile Underwriters' Association held at Toronto last week.

Since April of this year careful motor car drivers in Quebec have been eligible for a 10 per cent no claims bonus when they came to renew their insurance if they could show a clear record as far as claims and accidents are concerned. The cut applied on property damage and public liability coverage.

Privilege Extended

The new ruling extends this privilege and allows passenger car drivers in that province a full "merit rating" plan with a 10 per cent bonus for a one year clear record; a 15 per cent discount for a 2-year clean sheet and a 20 per cent cut to those who have operated for three years or more without claims. This is the plan which has now been operative in Ontario since April of this year.

The boost in rate for "passenger" or "guest" coverage is another matter of interest to insurers. It will be remembered that when new uniform automobile insurance legislation was introduced by most of the Canadian provinces in 1932, a new clause was inserted which excluded "passengers" from the public liability clause of the standard auto policy. If motorists wished to protect their passengers or guests they were required to henceforth take out a separate endorsement for which a nominal charge of 50 cents was made.

As a result of a year's experience this charge has now been boosted to $2 and it is claimed by the companies that if a proper charge commensurate with the liability were to be made it might easily be boosted as high as $5 or $6. However, until more adequate experience is available the charge as far as tariff companies are concerned, will be $2, following the annual meeting last week.

The other important item of business was discussion and approval of the "in-one-in-all" rule which is reviewed in detail elsewhere in this issue.

Insurance Inklings

J. G. STEPHENSON, superintendent of ordinary agencies of the London Life, spoke to the Life Underwriters' Association of Toronto on December 14 on the subject of "Selling Life Insurance as 'Well Managed Property'."

RYRIE SMITH, C.L.U., retiring president of the Life Underwriters' Association of Toronto, reports that during the past fiscal year the association has held nine monthly meetings. Attendance at the annual sales congress was 491, nearly five times as large as that of the preceding year. Membership dropped to 340 as compared with 442 a year ago. The association will close the year with a small balance.

E. C. WARD, Confederation Life, has been elected president of the Life Underwriters' Association of London, Ont.

Other officers elected and officially introduced recently were: Vice-president, A. G. Dixon, Canada Life; past president, G. C. Francis, C.L.U., Mutual Life; directors, E. J. Johnston, C.L.U., London Life; C. R. Lavoie, C.L.U., Metropolitan Life; J. F. Nolan, Sun Life; G. C. Stevenson, Great West Life; M. J. Taggart, Dominion Life; J. W. Warner, Mutual Relief Life; secretary-treasurer, D. H. Thomas, Sun Life.

The Sun Life Assurance Co. of Canada wrote £6,000,000 of new business in the United Kingdom in the fiscal year recently ended.

The London Life Insurance Co. announces a number of new appointments, as follows:

W. H. STEVENS, assistant manager at Winnipeg, will be in charge of the Assiniboine supervisorate.

S. S. JACOBSON and W. G. HUGHES of the St. John agency have been promoted to superintendents.

W. R. FISHER, formerly district supervisor at Assiniboine, has been appointed district supervisor at Kingston, under manager D. O. WALKER.

E. E. HART, ordinary agency department, head office, is temporarily in charge of the Kitchener supervisorate.

L. J. WOLFENBERG, former agent in Guelph, has been promoted to superintendent in the Guelph district.

RICHARD R. SMITH, a former agent in the Windsor district has taken over the duties of superintendent at Belleville.

W. H. McEWAN, formerly of Belleville, has assumed charge of a superintendency at Toronto Bloor.

R. L. HUNT has been appointed field supervisor at Vancouver under district manager W. E. Wolfe.

D. HEALEY of Lindsay has been promoted to the superintendency at Midland under city manager F. W. HEWITSON.

ONTARIO FIRES CAUSE LESS LOSS

Number Increased But Insurance Loss 25 p.c. Under 1932

Ontario's fire record continues to show a slight increase in the number of fires but a substantial decrease in the loss per fire, according to the report of the Ontario Fire Marshal for October. Number of fires in October is shown at 1,317, an increase of 2.9 per cent but total loss of $728,589 was 22.3 per cent under that of October, 1932, and insurance loss at $626,811 was 24.1 per cent lower.

In the first ten months of 1933, there were 13,000 fires in Ontario, as compared with 13,081 in the same period of 1932. Loss was down to $9,476,045 from $12,554,551, a decrease of 24.5 per cent, while insurance loss was down to $8,206,721 from $10,974,195, a decrease of 25.2 per cent.

THE ONTARIO EQUITABLE — PROTECTION
LIFE AND ACCIDENT INSURANCE COMPANY
HEAD OFFICE WATERLOO ONTARIO
The satisfaction policyholders have in their contracts with this Company offers the basis of opportunity for its representatives. Assets exceed $8,200,000.

Estates for the Future

Nearly a million people own accumulating estates amounting to almost Three Billion Dollars, in the form of life insurance in the Sun Life of Canada. This large sum will become payable to them or their dependents during the present generation.

SUN LIFE ASSURANCE COMPANY of CANADA
Head Office: MONTREAL

C. C. F. Leader Tells Plans To Socialize Life Insurance

Candidates for the C. C. F. party who have presented themselves for election in various parts of Canada have had much to say about the institution of life insurance.

Speaking recently before the organizing convention of the new Bow River U. F. A. federal constituency at Calgary, E. J. Garland M.P. outlined at considerable length the C. C. F. platform and devoted some space to the plans which this new Canadian party have in mind toward "socializing" life insurance.

This is what he said:

"We have also decided to socialize life insurance. That does not mean that any single policy will be interfered with, but our decision to socialize life insurance comes from two facts; the result of the immense volume of premiums falling into a few hands has given the companies an immense power over the life of the country.

"Every bond issue that the provinces or the municipalities want to issue is largely governed by insurance companies—that is one of the chief classes of investments that they can legally make. And the second reason is that today they do not guarantee to the individual permanent security. Again premium costs are higher than is warranted, through high salaries, duplication of offices, etc. For these and other reasons the costs of life insurance are so extreme as to be thoroughly unfair.

"Many who wanted to establish a sheet anchor for old age invested in life insurance. Now it is true that they got some protection so long as they kept up the payments. But when the depression came on men were forced to make a decision either to sell their insurance policies for what they would fetch or to let them lapse. They did both. The policies turned in for cash surrender were in 1930, $170,000,000; in 1931, $245,000,000; in 1932, $364,000,000; a grand total of over $782,000,000. The total value of lapsed policies in those three years was $1,224,000,000; or a grand total of over $2,000,000,000 of life insurance wiped out; and in almost every case the losers were the poor of the country who could ill afford the loss and who now could probably never insure again under the present system."

Casualty President

H. W. FALCONER

Managing director of Dominion of Canada General and associated companies, who has been elected president of the Canadian Casualty Underwriters' Association. The new vice-president of the association for Quebec is Alex Hurry, of the Northern group, while George Weir, manager of the London Guarantee & Accident, is vice-president for Ontario.

THE MONARCH LIFE ASSURANCE COMPANY
A PROGRESSIVE CANADIAN COMPANY
Special Reserves and Surplus
OVER ONE MILLION DOLLARS
Offices in Principal Canadian Cities

PROTECTION
The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost. This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.
Assets — $49,000,000.00
Independent Order of Foresters
FRANK E. HAND, Supreme Chief Ranger
HEAD OFFICE: TORONTO, CAN.

Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia
FIRE AUTOMOBILE WINDSTORM
Insurance in force over $250,000,000.00
Total Assets over 3,000,000.00
Agents required in Ontario
Write Eastern Branch, 2 Toronto St., Toronto, Ont.
THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE WASHINGTON
HEAD OFFICE FOR CANADA HAMILTON ONTARIO
WRITING FIRE AND AUTOMOBILE INSURANCE AT COST. ASSETS $4,616,449.70
BRANCH OFFICES: Toronto, Ottawa, Vancouver, Victoria, Edmonton, Calgary, Saskatoon, Winnipeg, Montreal, Quebec City, St. John, Halifax
ALL POLICIES NON-ASSESSABLE, PAYING DIVIDENDS RANGING FROM 20% TO 30%

SOLID AS THE CONTINENT
NORTH AMERICAN LIFE
ASSETS $47,298,633
SURPLUS $6,035,328
ESTABLISHED 1881 — SOLID AS THE CONTINENT — A MUTUAL COMPANY — ALL PROFITS FOR POLICYHOLDERS
Head Office—Toronto, Canada

Bank Chat on Current Topics

One Fire Per Branch Per Month

JUST 75 per cent of the 13,000 fires that occurred in Ontario during the first ten months of 1933 were in dwellings and in the same period of 1932 the ratio was over 73 per cent. Strangely enough, there were exactly 1,300 branches of banks in Ontario at October 31 so that without further figuring we can say that there was one fire per bank branch per month. If figures for November and December are in the same proportion there should be nine live prospects for safe deposit boxes for every branch in Ontario. If the prospect has nothing left or does not believe that lightning ever strikes twice in the same place he probably has at least two neighbors who may not feel the same way.

The comparatively small cost of a safe deposit box is the smallest insurance premium that a man can have for his documents, and protection is given not only against fire but against theft. If all his papers are in one basket, and the house containing the basket burns, the owner may be put not only to considerable loss but to a great deal of inconvenience. Little need to list here the uses to which a safe deposit box can be put but that little statement of one fire per bank branch per month might help increase the list of prospects.

* * *

A Bank for Nova Scotia

PERIODICALLY there is circulated in Canada propaganda for a new bank which would serve local interests. The latest emanates from Nova Scotia and is contained in the house organ of a firm that is promoting a gold mine.

It was only in 1928 that the subscription books were opened for the Eastern Bank of Canada, which had an authorized capital of $1,000,000. Subscriptions were received to the amount of $1,066,600, of which $360,150 was paid in cash with the remainder payable on call. Despite sufficient financing the bank did not start business. One of the chief sponsors, Dr. F. R. Taylor, died in 1929 and other supporters, among them the late Angus McLean, decided that the difficulties were too great to continue and shareholders were paid back their investment, with interest, in April, 1930. This bank had a sound and strong sponsorship but those responsible for its formation discovered that capital alone does not make a bank.

Nova Scotians have been responsible for the formation of many Canadian banks and hold more bank shares per capita than do the residents of any other province. In Nova Scotia there were 6,789 holders of Canadian bank stocks at December 31, 1932. These shareholders held 10.44 per cent of the total bank shares outstanding and had an average holding of 22.2 shares. For every 1,000 of population there were 294 bank shares held, as compared with 147.1 shares per 1,000 of population in Quebec, 113.1 shares in Ontario; 80.9 in Prince Edward Island and 49.7 shares in New Brunswick. It would seem that Nova Scotians could raise their voices sufficiently high in the councils of the present banks to secure any reasonable request.

Foreign Exchange

REVIVAL of rumors of stabilization has strengthened the United States dollar. Washington sources deny the reports from Europe, which, however, appear to have come from reliable sources. At the same time the pound sterling has declined. There is some anticipation of a return flight of capital from London and Paris to the United States, if the dollar is stabilized even temporarily. In such event, the American dollar would perhaps tend to become even stronger.

Preliminary acceptance of the Chautemps budget-balancing proposals in France appear to have given the franc a new lease of life on the gold standard. But the proposals must still pass the French senate, and will perhaps have to pass the chamber of deputies again in modified form.

* * *

CANADIAN dollars have remained at a discount in London and at a premium in New York. If the pound were to sink to par in New York, it is possible that both British and American currencies might be at a slight premium here. This is what prevailed for a few days in October and November. If sterling goes below $4.86 2/3 in New York, it is possible that Canadian dollars would be restored to the former position; that is, at a discount in New York and at a premium in London, judging from recent experience.

FOREIGN EXCHANGE

New York Funds

	High	Low	Last Year High	Last Year Low
	(Discount)		(Premium)	
	%	%	%	%
Dec. 5	1 1-8	1 9-16	18 1-2	17 1-2
Dec. 6	1 1-8	1 1-2	17 3-4	16 1-2
Dec. 7	1 11-16	1 1-4	16 1-2	16
Dec. 8	1 1-8	1 3-8	16 7-8	16 1-16
Dec. 9	1 1-8	1 3-8	17 1-4	16 3-4
Dec. 11	7-8	1 1-4	16 1-2	16

STERLING, FRANCS AND LIRE

Close: Demand in New York

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Dec. 5	5.15	.0618	.0833
Dec. 6	5.11 1-2	.0615	.0829
Dec. 7	5.11 1-2	.0612 1-2	.0825
Dec. 8	5.13 1-8	.0615 1-2	.0828 1-2
Dec. 9	5.17 1-2	.0618	.0822
Dec. 11	5.09	.0610 1-2	.0829

Close: Demand in Toronto

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Dec. 5	5.10 1-2	0.0609	0.0821
Dec. 6	5.04 1-2	0.0606 1-2	0.0818
Dec. 7	5.04 1-2	0.0603	0.0811
Dec. 8	5.10	0.0609	0.0821
Dec. 9	5.10	0.0610	0.0821
Dec. 11	5.07	0.0608 1-2	0.0820

	Reichsmarks	Belga	Yen
Gold Par	$0.238	$0.139	$0.498
Dec. 5	0.3719	0.2167	0.3075
Dec. 6	0.3693	0.2159	0.3103
Dec. 7	0.3674	0.2141	0.3103
Dec. 8	0.3713	0.2163	0.3099
Dec. 9	0.3720	0.2168	0.3099
Dec. 11	0.3708	0.2166	0.3111

St. Patrick's College Committee

A protective association was formed on Dec. 6 by bondholders of St. Patrick's College, Ottawa. Principal and interest have been defaulted on bonds totalling $880,000. The committee consists of: E. E. Reid, London, Ont.; J. P. Kempf, Montreal; E. Savard, Montreal; E. W. Harris, Toronto; Emile Gauvreau, Quebec, and J. E. Fortin, Toronto.

Current Events in Banking World

CENTRAL BANK HEAD MUST BE MAN OF POWER

E. R. Peacock Suggested as Ideal Type of Governor

DEPUTY IMPORTANT

R. N. Kershaw, Bank of England, Favored as Expert on Central Banking Procedure

Beginning with E. R. Peacock, Canadian-born London banker, there are numerous suggestions for the governorship of Canada's new central bank.

With the establishment of a central bank in Canada apparently a foregone conclusion, dependent only upon the action of a parliament in which three parties have already assented to the principle of a central bank, speculation as to who will be the first officers of such a bank is gradually gaining momentum. So far the only definite basis for such speculation is in the recommendations of the Royal Commission on Banking and Currency, although every business group in Canada that will be affected by central bank operation has its own idea as to what the officers and directors of such an institution should be.

The recommendations of the commission headed by Lord Macmillan call for three officers—a governor, deputy governor and assistant deputy governor. These governors "should be men of tested banking experience." They would sit on the board of the central bank with six to eight directors, "men of diversified occupations." The first appointments to the board will be made by the Governor General in Council, as will future appointments of governors and deputy governors. Directors should retire in rotation. It is recommended that none of the directors should be bankers or bank directors and no member of the board should be a member of the Dominion parliament or any provincial legislature, or a civil servant.

Require Strong Governor

It is understood that the thought underlying these recommendations was that the governor should be a Canadian who would give prestige and leadership to the central bank in its formative period; that the deputy governor should be a man thoroughly versed in central bank procedure and practices, probably a man trained by the Bank of England; that the assistant deputy governor should be a comparatively young Canadian who would be trained for higher office in the bank. Also the central bank will need a competent economist and statistician, and it is unlikely that the assistant deputy governor would take over these duties. The general consensus in financial circles is that the governor might receive $25,000 annually, the deputy governor, $15,000 and the assistant deputy governor approximately $8,000.

The success of the new central bank will depend in large degree upon the governor. Organizing ability is necessary but to even a greater extent it is essential that the governor shall be one who can secure and hold the respect of the commercial bankers, who can gain their full co-operation and at the same time put into effect the policies of the central bank board. During the formative period, at least, the operations of the central bank will be confined largely to Canada's monetary and credit problems. The recommendations of the Royal Commission do not preclude the appointment of a Canadian banker to this post. There are not a few banking executives in Canada who could give the bank the necessary leadership but such executives have generally voiced their opposition to a central bank. In order to get a man with the necessary qualifications not a few people feel that it might be desirable to go outside of Canada for the first governor. But such a selection would meet with much opposition. Many Canadians want their central bank governor to be a 100 per cent Canadian.

E. R. Peacock Outstanding

One man who is mentioned is Edward Robert Peacock, who, at the age of 62 years, is a power in London financial circles, partner of Baring Brothers, director of the Bank of England, director of the Canadian Pacific Railway. Canadian born, graduated with honors in economics from Queen's University, Mr. Peacock taught at Upper Canada College for seven years before he joined Dominion Securities Corp in 1902. Sent to England in 1907, as manager of the London office of Dominion Securities Corp. his sphere was broadened. Just after the war he became head of Brazilian Traction, of Barcelona Traction and the Mexican Utilities similarly controlled. He has intimate knowledge of railways and public utilities of international banking. His experience as director of the Bank of England would be a rare asset in guiding the destinies of a central bank in Canada. He was one of the financial advisers sent by the British Government to the conference of Genoa in 1922.

Possibilities of Mr. Peacock accepting such a position in Canada are not considered bright. It is generally regarded that his interests in London are so large that the only inducements that could influence him to accept the governorship of Canada's central bank, if offered, would be on the grounds of patriotism or a desire on his part to retire from business and return to Canada.

Kershaw Suggested

If, as suggested, the deputy governor of the central bank is to come from the Bank of England, it would appear that R. N. Kershaw is as good a possibility as any. Australian by birth, Mr. Kershaw is a comparatively young man who reached England by way of a Rhodes scholarship and attended Oxford shortly after the war. For some time connected with the League of Nations at Geneva he is now in the Overseas and Foreign Banking Department of the Bank of England. In this department he has had an excellent opportunity to familiarize himself with central bank procedure and banking conditions not only in England but throughout the world. Scheduled to act as adviser to Lord Macmillan during the trans-Canada tour of the Royal Commission on Banking and Currency he was unable to make the entire trip but arrived in Ottawa in time for the final hearings. He is regarded by Canadian Treasury officials as being extremely able.

Lord Macmillan's adviser while travelling in Canada was J. Fisher, who is junior to Mr. Kershaw in the Overseas and Foreign Banking Department of the Bank of England. Mr. Fisher, a New Zealander, is also an expert on central bank procedure and immediately prior to coming to Canada was in Australia studying conditions there.

Messrs. Kershaw and Fisher are credited with having written most of the Macmillan report.

Assistant Deputy Has Future

While the position of assistant deputy governor of the central bank may be considered to be a stepping stone to higher office the limitations of salary may prove an objection to many who, through their very qualifications, are not only suited to the position but also can secure greater monetary rewards in other fields of endeavor. If the assistant deputy governor is to have found a sound knowledge of economics as well as practical banking experience this will also restrict the number who could qualify on the basis of ability.

Graham F. Towers, assistant general manager of the Royal Bank, has been mentioned as one who combines the necessary qualifications for the post. But 36 years of age, Mr. Towers graduated from McGill University. He joined the Royal Bank as economist in 1920, went to Havana as accountant in 1922 and rose rapidly until he became chief inspector for the bank in 1929, and last week assistant general manager. His rapid rise in the bank is generally believed to indicate an ultimate destiny as general manager of the bank.

Another eminently qualified for the position as assistant deputy is Courtland J. Elliot, economist for A. E. Ames & Co., investment bankers. Graduate of Queen's University in economics, then a lecturer in economics at University of Saskatchewan, Mr. Elliot has studied economics at the University of Paris and at the Brookings Institute in Washington. For two years he served the Federal Reserve Board in Washington, securing an insight into central bank procedure in the United States. He has since made a close study of world banking conditions not only as a business but as a hobby. He has collaborated in studies of the Canadian banking system and is widely known as an extremely able economist.

The name of W. C. Clark, present Deputy Minister of Finance and former professor in economics at Queen's University, is frequently mentioned. Extremely able, Mr. Clark is possibly too valuable in his present post to go to the central bank, the organization of which should not mean that Canada is not to have a strong treasury department. Again, there is the stricture of the Royal Commission regarding civil servants. Gilbert E. Jackson, professor in economics at the University of Toronto and economic adviser to the Bank of Nova Scotia, is another strong possibility to be considered. Mr. Jackson closely followed the evidence taken by the Royal Commission, acting in an advisory capacity for the Canadian Bankers' Association. J. F. Parkinson, lecturer at the University of Toronto on international financial and trade policies, gave one of the most carefully studied and fully informed pieces of evidence on a central bank heard by the Royal Commission. A keen economist, Mr. Parkinson has also had some eight years experience as a banker in England.

Action of Central Bank Will Determine Losses Of Banks on Note Issue

Estimate by Bankers' Association is Considered Too High—Not Average Case—Loss to Commercial Banks of Note Issue Privilege May be Negligible if Government Co-operates

By "ECONOMIST"

How profitable to the chartered banks is their privilege of note issue? This will probably be among the most hotly debated questions of the many which are being raised by the "Macmillan Report Junior." For the report suggested that the sole right of note issue should be given to a new central bank. Shareholders are directly interested, and the public are indirectly interested, in anything that may affect the earning and lending power of the chartered banks.

Appendix 11 of the report gives the "Estimated value of note circulation privilege of typical bank." submitted to the Royal Commission by the Canadian Bankers' Association. The conclusion of this estimate appears to be that the withdrawal of the privilege might be expected to reduce by about one-third the dividend rate of such a bank. In the light of what follows this estimate appears exaggerated.

The figures submitted by the banks are as follows:

11. ESTIMATED VALUE OF NOTE CIRCULATION PRIVILEGE OF TYPICAL BANK
(Submitted by Canadian Bankers' Association)

Circulation

Average amount of notes in circulation		$30,350,000
Deduct: 15% Cash Reserves		4,552,500
Net amount available for loaning and investment		$25,797,500
Gross revenue on 4½% basis		$ 1,160,887
Less Expenses:		
Dominion Government Tax on Circulation	$303,500	
Printing, postage, insurance, destruction, etc.	125,000	
Salaries at Head Office Circulation Dept. and at supply points, and estimated expense at other branches in handling & clearing notes	150,000	
Additional interest on Circulation Redemption Fund, i.e., the difference between 3%, the amount paid, and 4½%, the value of the funds, viz., 1½% on $1,650,000	24,750	
		603,250
		$ 557,637
Federal Income Tax 12½%		69,704
Apparent net profit (which is 1.60% of average circulation)		$ 487,933

If circulation privileges were withdrawn, it would be necessary to replace bank notes presently held at branches with at least $15,000,000 legal tender. Assuming money to be worth 4½ per cent, this would involve loss of revenue to the bank of $675,000. Add to this amount the apparent net profit on existing circulation privileges of $487,933, and the total cost to the bank of withdrawal of the privilege would be $1,162,933.

This represents 30.15 per cent of the amount distributed to shareholders in the year 1932, and 41.5 per cent of the amount of distribution in 1933, assuming a continuance of the present rate of dividend.

Depends on Central Bank

The calculations of the Bankers' Association constituted a conservative, cost-accountant's estimate of what part of thhe profits of the typical bank might be allocated to the existing note issue. This was not the right method, this writer contends, of estimating the loss which that bank would suffer if its note issue were withdrawn and replaced by notes of a central bank. The probable extent of this loss depends upon the actions of the central bank. If the central bank forces the typical bank to borrow the new notes at a high rate of interest, then the loss of the typical bank might be even greater than that estimated by the Bankers' Association. If, on the other hand, the central bank and the Department of Finance tried to facilitate the transition as far as possible, then the loss should be far less than the bankers' estimate; and under the most favorable circumstances might be negligible.

The bankers' estimate may be attacked along either of two lines. The first is to accept the method of computation which they employ and then attempt to show that, on account of errors and omissions, the figures presented do not tell an accurate story. For example, one might point out that the estimate is obviously for one of the very largest of the Canadian banks. Such a bank, through its wide-flung branches, probably circulates and keeps as till-money a larger proportion of notes than a really typical bank would do, It may thus stand to lose more by the withdrawal of the note-issuing privilege than the really typical bank. Again, there is no allowance made for the bank's deposits in the central gold reserves—unless they are supposed to be included in the allowance of "15 per cent Cash Reserves" in the estimate.

Estimate May Be Conservative

While these factors suggest that the bankers' estimate is excessive, other considerations suggest that it is conservative. It can hardly be called an over-estimate to take 4½ per cent as a representative rate on all earning assets. And the rate must be relative only to earning assets because a 15 per cent cash reserve, itself a liberal estimate, has already been deducted. For these reasons it appears that, granted their own basis of calculation, the figures of the bankers are more likely to be an under-estimate than an over-estimate of the losses they seem to be facing. We turn, therefore, to the second line of attack.

Is the basis of the bankers' calculation the right one? From the point of view of a cost accountant, attempting to allocate to the existing note issue a fair share of the existing profits, the basis is probably the best and perhaps the only one possible. As such it will probably have recommended itself as eminently reasonable to those who have glanced at it and even to some of those who have examined it critically.

Nevertheless it does not appear a correct method of estimating the loss to the chartered banks as a group, resulting from the withdrawal of their own notes and the placing in circulation of newly-issued central bank notes. It must be remembered that the banks will not only be withdrawing their own notes, but will be the channels through which the new notes will flow into circulation. We must therefore concern ourselves with the mechanism through which the banks obtain and circulate the new notes.

Three Ways to Replace Till-Money

There appear to be three possible ways by which the banks may obtain the new notes which will replace those of their own which they withdraw from circulation or which can no longer be held as till-money. They may "buy" the central bank notes: they may "borrow" the central bank notes: or they may "be supplied with" the notes on the initiative of the central bank itself. Of these three possibilities the last seems the most probable as will appear from a discussion of the first two.

It is sometimes suggested that the banks will "buy" the new notes. Actually this is quite impossible. The idea that it is possible only arises from a confusion of thought. The idea is that an individual bank could accumulate the "money" needed to purchase the notes by the simple process of allowing loans to run off and by selling investments to the necessary extent. It is forgotten that the "money" received in that process will consist for the most part of cheques upon and notes of other banks. When these are presented through the clearing houses the bank which has been contracting its assets will certainly have more money, i.e., Dominion notes. But the other banks will have less money. And, as a group, the banks will be in little if any better position to "buy" new notes from the central bank.

The illusion that the banks could "buy" the new notes arises from a failure to distinguish between what might be possible for an individual bank acting alone and what is possible for the banks acting as a group. The banks cannot accumulate the "money" to "buy" the new notes by reducing their earning assets. No process of credit restriction or of security sales which kept within the bounds of reasonable possibility would suffice.

The next possibility is that the banks might be forced to borrow the new notes from the central bank. In this case they would presumably pay the central bank's rates of discount upon the amount borrowed. Taking in place of that rate the present rate on advances of Dominion notes to the banks under the Finance Act, we may make the following calculations for the bank considered in the appendix of the report:

Circulation

Cost of borrowing $30,350,000 at 2½%	$758,750
Deduct saving of expenses of note-issue as calculated in appendix.	603,250
	$155,500

Till Money

Cost of borrowing $15,000,000 at 2½%	$375,000
	$530,500
Deduct: Federal income tax 12½%	66,313
Apparent cost to typical bank of loss of note issue	$464,187

This is well under one-half the figure of $1,162,963 which was the estimate of the Bankers' Association. It would still be well under half if allowance had been made for the fact that a certain small part of the banks' expenses of note issue would remain when the banks were handling central bank notes instead of their own. The only change which the shift to central bank notes would have made in the balance sheet of the typical bank would be that, in place of the liability "notes in circulation" they would have "borrowed from the central bank:" all other assets and liabilities remaining unchanged.

The above calculation is open to an important objection. The present rate of 2½ per cent on Finance Act advances is abnormally low. While it is not impossible that a central bank discount rate might go even lower in a period of depression, thus temporarily making even lighter our estimated burden of costs on the banks, it is unlikely that the average rate over a long period of years would be so low. Four and a half per cent might be a more representative rate. And making the above calculations on this basis we find that the burden costs is slightly greater than that estimated by the bankers. Thus, at this stage in our argument, the bankers' estimate still appears to be a conservative one.

We now turn to consider the last possibility—that the new notes are "supplied to" the banks by the central bank on its own initiative. It is reasonable to assume, not only that there is a central bank in existence, but also that it tries to assist rather than impede the transition to the new note issue.

May Use Open Market Transactions

Central banks recognize, indeed it is a cardinal assumption underlying many of their operations, that commercial banks dislike borrowing from them. This is because they dislike being in a position of dependence and also because borrowing is costly. To those readers acquainted with orthodox central banking practice it must have seemed most unnatural to assume, in the calculations above, that the central bank should force the commercial banks to borrow their normal supplies of notes for circulation and for till-money. It would have been much more natural to assume that the central bank would normally supply to the commercial banks through the machinery of "open market transactions" all the cash which they needed for reserves or circulation. In times of depression, such as the present, central banks are far more likely to be pressing excess reserves on the banks than they are to be forcing them to borrow, even at the low rates of interest which prevail.

Open market transactions might be used to provide the banks with cash in the following way: The central bank would buy securities from John Smith. Smith would deposit the cheque he received in the typical bank. The typical bank could then withdraw the money in the form of notes from the central bank. The ability of the central bank to engage in open market purchases will partly depend upon the co-operation of the Department of Finance in issuing securities of the necessary type. But it seems not unreasonable to expect that such co-operation will be forthcoming.

Let us now suppose that the central bank pursues an open market policy calculated to offset the withdrawal of bank notes from circulation. Suppose, that is, that it engaged in open market purchases of securities exactly equal to the volume of bank notes being withdrawn from circulation. What will be the change in the balance sheet of the typical bank? If we assume, as is most reasonable, that the banks continue to do business exactly as before, then the only change will be that the liability "notes in circulation" will be replaced by "deposits of the public"—i.e., deposits of the John Smiths.

Cost Depends on Deposits

Our calculation of the cost to the banks of the circulation privilege will then depend upon the rate of interest which the banks themselves decide to pay upon deposits. If we assumed that all the John Smiths for ever kept their deposits absolutely idle, and the banks paid their present rate of interest, 2½ per cent, upon them, then our estimate of the cost to the typical bank of the loss of its privilege involves exactly the same calculation that we have made above. The estimated loss was then seen to be $464,187.

But this loss is the absolute maximum, given the present rate of interest on deposits and the policy outlined for the central bank. If it can be assumed that eventually the deposits of the John Smiths become merged in the great mass of deposits, and a fair if not generous average payment upon all deposits to be 1½ per cent, we then arrive at the following calculation for the typical bank:

Circulation

Cost of $30,350,000 on deposit at 1½%	$455,250
Less: Saving of expenses as calculated in appendix	603,250
Gains of banks from withdrawal of circulation	$148,000

Till Money

Cost of $15,000,000 on deposit at 1½%	$225,000
	$ 77,000
Less: Federal income tax, 12½%	9,625
Apparent cost to typical bank of loss of note issue	$67,375

This is probably as good an estimate as we can make, rough as it is. There is a wide gap indeed between this figure of $67,375 and that of the Canadian Bankers' Association which was $1,162,933.

Weekly Bank Clearings

	Dec. 7, 1933	Change year ago	Nov. 30, 1933
	$	%	$
Halifax	2,342,347—	3.3	1,832,261
Saint John	1,789,946+	20.7	1,480,815
Moncton	788,853+	5.8	642,398
Sherbrooke	635,072+	33.4	432,945
Quebec	4,785,366+	18.5	3,428,952
Montreal	125,684,694+	65.1	95,336,053
Ottawa	4,297,419—	1.2	3,764,633
Kingston	613,918+	6.2	447,656
Peterborough	614,297+	8.3	488,992
Toronto	107,530,912+	27.6	99,205,930
Hamilton	3,981,545+	4.9	2,934,720
Kitchener	1,036,523+	20.4	710,733
Brantford	882,138+	5.9	575,442
London	2,539,573+	2.9	2,106,205
Chatham	469,383—	10.5	443,877
Windsor	2,004,687—	10.4	1,928,581
Sarnia	460,895+	10.1	254,475
Sudbury	586,221+	24.6	560,667
Fort William	682,454+	5.2	406,638
Winnipeg	47,919,184+	12.9	59,758,360
Brandon	354,555+	5.8	220,492
Regina	3,775,969+	17.8	3,165,715
Moose Jaw	560,665—	8.0	387,185
Saskatoon	1,488,216—	0.3	1,038,265
Pr. Albert	292,232—	0.9	202,544
Edmonton	4,461,686+	3.4	3,074,048
Calgary	5,131,913—	5.4	5,102,004
Medicine Hat	249,139+	16.4	212,882
Lethbridge	439,506+	9.7	333,337
N. W'minster	490,284+	8.2	378,663
Vancouver	15,471,294+	18.0	13,372,977
Victoria	1,658,977+	17.1	1,149,836

What Editors Say of Banks

New England Looks at the Canadian System

American Banker: New England's proximity to Canada and the many trade and financial relations involved between this section of the United States and Canada has caused the people here to become intensely interested in the Canadian system of banking.

Concerning the proposed Canadian bank change, the Boston Herald commented editorially as follows:

"The central bank project is believed to be to some extent a concession to those who believe that if the 'money power' can be taken out of its present hands, it will be good for all. It is a shrewd guess that this is the view of progressives like Mr. Brownlee, while Lord Macmillan and Sir Charles Addis are probably moved by considerations of imperial policy.

"It is difficult to see how a central bank, or any sound banking system can do more for the Canadian public than is being done now. There is plenty of money for legitimate needs. There will be no more under a new plan, unless sound principles are abandoned. There is only one safe way to increase the flow of money from the banks into agriculture and industry, and that is to increase the amount of tangible security."

Canada Seeks Freer Credit

The Christian Science Monitor:—Canada is to have a central bank. The royal commission on banking and currency has made this its chief recommendation, and Parliament is expected to enact it into legislation, probably this winter. It will be a popular measure. The people believe it is another step gained in the transference of money and credit power from private to public control.

While the Canadian banking system has been acknowledged by the commission as giving "admirable evidence of security, efficiency and convenience," so far as ordinary functions are concerned, obviously this is no longer enough. There is more to be desired than a policy of "safety first" when business is foundering through lack of a few dollars to keep it afloat; more to be desired than "security" for bondholders and directors when farmers can neither sow nor reap for want of credit.

Premier Bennett recently proclaimed the fact that the bank vaults contained more deposits than ever before in their history. Under present conditions such a state of affairs might well be a matter for reproach rather than for pride, as in the case of a lifeboat that rescues a few by taking no risks.

A single authority for the regulation of credit is the first reason for a central bank. It is not expected to work miracles and to usher in prosperity at a bound. But by placing authority in the hands of the people through their Government it will more accurately reflect control by the majority of the credit that plays no small part in influencing the level of economic activity and therefore of commodity prices.

Naturally enough the bankers resisted the growing agitation for weakening their grip on business and advanced many specious arguments in support of their stand. The majority of the commission, however, comprising the two British members, Lord Macmillan (chairman) and Sir Charles Addis, and one Canadian, John E. Brownlee, Premier of the Alberta Farmer Government, overruled their objections, leaving Beaudry Leman, banker, and Sir Thomas White, former Minister of Finance, to suggest a milder method of reform.

Thus authority once again recognizes the economic revolution that is pushing, slowly perhaps, but surely toward victory. What that victory portends no man can know. But this much seems certain, it should mean a radical improvement in the relationship between labor and capital, a more equable division of profits, a greater control of natural and artificial resources by governments of the people for the people.

SHERBROOKE TRUST HAS RECORD PROFIT

Earns 10.53 p.c. Net on Paid-up Capital; Deposits Are Higher

Earnings of Sherbrooke Trust Co. in the year ended September 30, 1933, were the highest in the history of the company, according to the statement of the president, W. A. Hale. Net operating profit was $38,258 to which is added $2,373 as profit on sale of bonds. After deducting income tax and depreciation the company earned 10.53 per cent on paid-up capital of $300,000 and continued to pay dividends of 6 per cent.

Debentures outstanding dropped to $308,531 from $328,456 but deposits were up to $1,032,665 from $961,919 and trust accounts under administration were up to $2,855,035 from $2,440,882. Safe deposit box facilities are being increased.

Strictly liquid assets are up to $433,006 from $367,916 or 42 per cent of deposits as compared with 38.2 per cent in 1932. Mortgage investments are down to $1,256,113 from $1,276,998 while real estate held for sale is up to $44,479 from $20,497. Contingent reserve, to provide for possible losses on real estate, has been increased by $10,000 to $20,000. Office premises are carried at $149,623. Mortgage payable on property is shown at $33,800 as in 1932 but came due on October 1 and was paid in full.

The record of earnings of the company in the last six years has been as follows:

Earnings Record

Year	Paid-up Capital	Net *Profits	Div. Rate	Rate Earned per sh.
	$	$	$	$
1928	300,000	34,149	6	12.06
1929	300,000	36,640	6	12.21
1930	300,000	34,763	6	11.58
1931	300,000	†27,565	6	9.18
1932	300,000	†26,464	6	8.82
1933	300,000	†31,591	6	10.53

* Less income tax; additional tax prior years not deducted.

† After depreciation on premises and furniture, etc., $5,040 in 1933; $5,028 in 1932; $4,085 in 1931.

Staff Changes

The Bank of Montreal announces the following staff changes:

A. M. GILLESPIE, accountant at Alliston, Ont., has been appointed manager at Cobden, Ont.

J. R. SMITH, manager at Campbellford, Ont., goes to Georgetown, Ont., as manager.

DAVID WILSON, manager at Georgetown, Ont., goes to Campbellford, Ont., as manager.

Prudential Trust Co. Will Reduce Capital Stock

From Our Own Correspondent

MONTREAL.—Application will be made at the next session of Parliament by Prudential Trust Co. to reduce the authorized capital of the company from $2,000,000 to $1,000,000 by reducing the par value of each share from $20 to $10. The difference will be used by the company in setting up reserves. This action is in line with the proposals agreed upon at the last annual meeting of the company.

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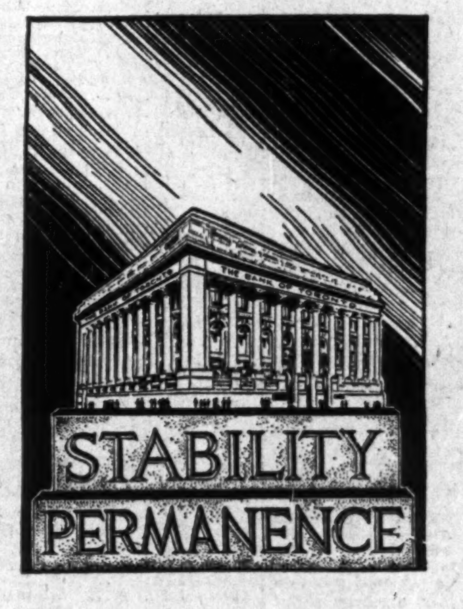

An Enduring Foundation

TWENTY-SEVEN years ago, in commemorating the 50th anniversary of The Bank of Toronto, the general manager said: "No other bank has built on a deeper and more solid and enduring foundation than The Bank of Toronto."

The interests of clients have always been safeguarded by the stable, conservative policies of The Bank of Toronto. The Bank has built on solid ground and it has built well. Weathering every storm, conservative alike in prosperity and depression, it has expanded along sound banking lines—establishing branches throughout Canada, with correspondents in all parts of the world, widening its services, yet standing always for stability and safety.

• • •

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1855 1933

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Established 1855

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Federal Farm Loan Board Paper Profit Is $298,845 Actual Deficit Is $117,000

Shows Interest Earned Rather Than Interest Received

ARREARS ARE UP

Receives Exemption of $219,082 of Interest on Initial Capital of $5,000,000

From Our Own Correspondent

OTTAWA—By showing all interest earned as revenue, the Federal Farm Loan Board in its annual report for the year ended March 31, 1933, reveals a profit of $79,763.59. Adding to this $219,082, being interest due the government on the initial capital advances which the government exempts the Board from paying, and a grand total profit of $298,845 is achieved.

This "paper" profit is used to increase the contingent reserve from $150,000 to $810,000, and the unappropriated surplus from $33,280.42 to $52,414, the statutory reserve from $106,936.59 to $181,647.79. The balance has been added to the reserve for possible losses in the year 1933.

Income Account, Years Ended March 31

	1933 $	1932 $
Int. earned on mtges.	551,227	446,821
Other interest	2,840	2,074
	554,067	448,895
Less:		
Int. on initial capital	250,000	250,000
Int. on bonds	112,229	49,596
Administration	112,075	127,987
Profit	79,763	21,323
Add: Credit re exemption of int. on initial capital	219,082	250,000
Profit for year	298,845	271,323

The Farm Loan Board, which began operations in the fall of 1929, has now made 4,830 loans, totalling $10,201,450, of which $9,420,324 has been paid out. In 1933, the total loans were 536 and the amount, $982,600. The total amount advanced in the year, however, was $1,276,114, since there were loans approved and partly advanced in previous years. Of the grand total loans now outstanding, $2,892,191 are in Quebec; $3,444,018 in Alberta; $1,366,787 in British Columbia; $788,640 in Manitoba and the balance in the Maritimes. The Board does not operate in Ontario or Saskatchewan.

To obtain the capital to meet the loaning requirements last fiscal year, the Board used $495,555 which was collected from outstanding loans and sold $800,000 5 per cent bonds to the government. In addition some $250,000 of the capital stock of the Board (owned by borrowers, the provincial and the Dominion governments) was issued.

The government has contributed $469,082 to the combined profits of $550,168 up to date since the government put up the original $5,000,000 of capital and waived interest payments for three years. Without this direct gift from the taxpayers, the Board would be showing a "paper" profit of only $81,085.

There have been two public reports since the Board began operations. The first was issued a year ago and covered the operations up to March 31, 1932. In this report a profit of $271,323 was shown. But this total included all interest earned, whether collected or not. On March 31, 1933, there was $69,407 of principal and $147,018 of interest in arrears.

Had the Board paid the 5 per cent on the original capital advance, the profit would have fallen at once to $21,322 and deducting the arrears would have produced a deficit of nearly $200,000.

Relieved of Interest

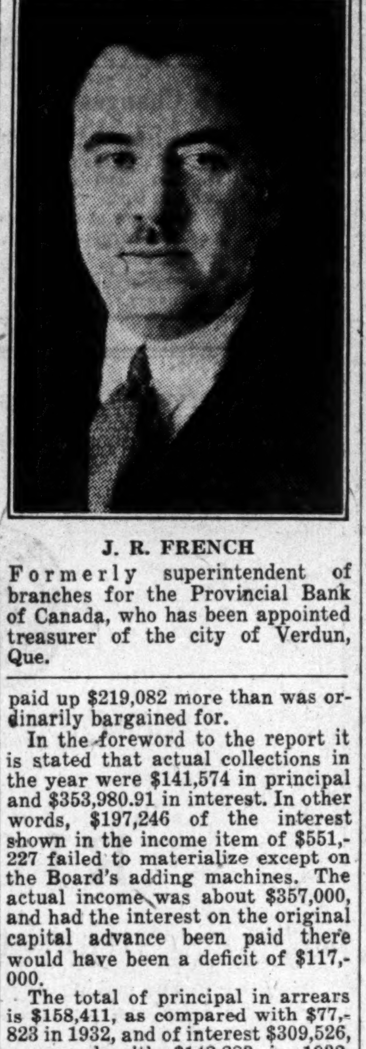
The position as disclosed in the latest report covering the fiscal year ending March 31, 1933, shows "paper" profit of $298,845.78. The exemption with respect to interest is $219,082, which cuts the profit down to $79,763.

The Farm Loan Act stipulated that the government would put up $5,000,000 and waive interest for three years. The rate would then be 5 per cent. The money was put up in August, 1929, and it might be expected that interest would begin to accrue in August, 1932. The $5,000,000 was added in 1929 to the public debt and the taxpayers have been paying interest thereon ever since. Doubtless to further subsidize the Board, the government decided in 1933 that the three-year exemption should date from the time the Board loaned this capital. Hence the 1933 report shows only $30,918 paid on interest account. In other words, the taxpayers have paid up $219,082 more than was ordinarily bargained for.

In the foreword to the report it is stated that actual collections in the year were $141,574 in principal and $353,980.91 in interest. In other words, $197,246 of the interest shown in the income item of $551,227 failed to materialize except on the Board's adding machines. The actual income was about $357,000, and had the interest on the original capital advance been paid there would have been a deficit of $117,000.

The total of principal in arrears is $158,411, as compared with $77,823 in 1932, and of interest $309,526, compared with $142,283 in 1932. On a total of $9,420,324 this is considered high, since the Board only began late in 1929. In addition, the Board is foreclosing a number of mortgages and the report shows that 24 properties are now owned, representing an investment of $85,910. During the year 1933 the Board sold 10 properties. The investment was $39,982 and the sale price $33,848. Considering that advances are not supposed to exceed 50 per cent of the appraised value, the loss is significant.

Verdun Treasurer



J. R. FRENCH
Formerly superintendent of branches for the Provincial Bank of Canada, who has been appointed treasurer of the city of Verdun, Que.

BERYLLIUM FIND MADE IN YUKON

Was Prospecting for Pitchblende in Pelly Mountains

From Our Own Correspondent

VANCOUVER—Beryllium is reported to have been found on the northern boundary of British Columbia.

A prospecting party working in the Pelly mountains in the Yukon, close to the provincial boundary, seeking a reported deposit of pitchblende, which on subsequent analysis revealed the presence of beryllium.

The metal possesses very valuable properties, lightness, strength, hardness and resistance to heat and corrosion, and is in demand in steel manufacture. The discovery has already aroused the interest of an United States steel organization, which proposes to explore the find.

The beryllium deposit was located last summer by W. McAllister of Carcross, Yukon Territory.

Mr. McAllister in reporting the discovery stated that the pitchblende was not located. The samples analyzed came from "float" along the streams. Following the float upstream, the party found the native rock.

It is the first occasion upon which beryllium has been found within the boundaries or adjacent to British Columbia.

Mr. McAllister believes the Pelly district offers considerable opportunity to the prospector. He thinks much silver will be found when the price of the white metal encourages prospectors to go into the hills. An area of silver-bearing rocks extends through to the Mayo camp.

Velvet Mine at Rossland Again Attracts Attention

From Our Own Correspondent

ROSSLAND—George Coryell of the Velvet Mining Co., of Seattle, which operates the old Velvet gold mine on the Rossland-Cascade highway about ten miles from here, is contemplating reopening the Velvet mine, closed last year, which is under lease on option to purchase.

Considerable work has been done at the property in equipping the mine, repairing buildings and the construction of a reservoir, shipments having been made via Sheep Creek road to Northport and by the Great Northern Railway since the mine was opened over a year ago.

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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING DECEMBER 11

Range 1933 High	Low	Divd. Rate Yield in $ in %	Dec. 9		Sales	Close Dec. 4 (or last)	Week Ending —Dec. 11— High	Low	Close
[illegible]									

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited) Investment Bankers, Toronto December 12, 1933

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	1.40	....
Acadia Sugar 6% pfd.	4.00	4.50
Acme Farmers Dairy 7% pfd.	....	26.00
Agnew Surpass 7% pfd.	63.50	68.00
Allens London 7% pfd. bonus c.	34.00	....
Allens St. Cath. 7% pfd. bonus c.	34.00	....
Allens Toronto 7% pfd. bonus c.	19.00	....
Andian National Corp.	27.50	29.75
Atlantic Sugar A pfd.	82.00	87.00
B.C. Pulp & Paper pfd.	6.00	....
Burns Pfd. bonus com.	3.00	6.25
Canada & Dom. Sugar	36.50	38.50
Canada Mach. c.	3.25	5.00
Canada Mach. pf.	18.00	....
Can. Packers c.	36.25	37.50
Can. Pack. pfd.	100.00	102.50
Canada Starch c.	4.25	....
Canada Starch 7% pfd.	72.50	....
Canada Tea 7% pfd.	45.00	57.00
Canada Wire & Cable 6½% pfd. WW	55.00	60.00
Can. Industries com A	115.00	....
Can. Industries com B	114.00	....
Can. Industries 7% pfd.	124.50	128.00
Can. Westinghouse	43.00	45.00
Chase, A. W. Pfd. bonus c.	15.00	18.00
Claude Neon Gen. Adv. Units	2.75	5.00
Consol. Div. Standard Sec. pfd.	9.50	....
Dom. Foundries & Steel c.	3.75	5.00
Dom. Foundries & Steel 8% pfd.	39.00	45.00
Dom. Manufacturers 7% pfd.	....	60.00
Dunlop Tire 7% pfd.	59.50	63.00
Eastern Dairies Ltd. 7% pfd.	10.50	18.00
Edmonton Stockyards Units	....	50.50
Federal Grain 6½% pfd.	13.00	18.50
General Steel Wares pfd.	11.50	13.00
Goderich Elevator & Transit	6.00	7.50
Greening Wire 7% pfd.	45.50	52.00
Guelph Carpet 6½% pfd.	67.00	....
Guelph Carpet c.	5.75	....
Inter City Baking com.	16.50	18.50
Inter. Proprietaries A	30.00	31.50
Loew's London c.	.25	.75
Loew's Lond. pfd.	3.25	4.25
Loew's Toronto 7% pfd.	57.00	60.00
Mansfield Theatres pfd.	15.00	....
Massey-Harris 5% pfd.	12.25	13.25
Mount Royal Hotel com.	.30	.75
Mount Royal Hotel 6% pfd.	2.50	3.50
Nat'l. Grocers c.	1.65	2.15
National Grocers 7% pfd.	91.50	94.00
Paramount Kitchener pfd.	31.00	....
Paramount Oshawa com.	2.25	....
Paramount Oshawa pfd.	35.50	....
Provincial Paper 7% pfd.	66.50	70.00
Reliance Grain 6½% pfd. ex-div.	35.00	40.00
Rolland Paper 6% pfd. WW	45.00	50.00
Serv. Stations A pfd.	25.00	33.00
Standard Clay Products c.	....	15.50
Standard Fuel 6½% pfd. bonus	68.00	....
Supersilk pfd. bonus	35.00	....
Supertest Petroleum B pfd.	18.50	22.00
Toronto Elevators 7% pfd.	84.50	87.00
Toronto Housing c.	11.00	....
United Corpns. Ltd. A	6.25	....
United Corpns. Ltd. B	1.75	....
Ind. Stocks cont'd		
Un. Grain Grow.	9.00	11.00
Western Grain 6½% pfd. bonus	6.00	11.50
Western Grocers pfd.	86.00	90.00
Willards Chocolates pfd.	13.00	17.00
Wood, Alex. & James pfd.	16.00	....
Zimmerknit c.	2.50	....
Insurance Stocks:		
Br. Amer. Assce.	23.50	....
Can. Life Assce.	420.50	435.00
Canadian Fire Ins.	55.50	60.00
Confederation Life 20% pd.	121.00	128.00
Continental Life 20% pd.	35.00	....
Crown Life Ins.	95.00%	....
Dom. Fire Ins.	85.50	....
Dominion Life 50% pd.	155.50	....
Dom. of Can. Gen. Ins.	102.00	110.00
Empire Life 25% pd.	9.00	11.50
Excelsior Life 30% pd.	70.00	....
Federal Fire 25% pd.	36.50	....
Fidelity Ins. Co.	46.00	....
Great West Life Assce.	321.00	349.00
Guar. Co. of N.A. fully paid	200.00	225.00
Guar. Co. of N.A. 20% paid	38.00	....
Imperial Life	265.00	280.00
Mfrs. Life Ins.	210.00	230.00
Monarch Life 10% pd.	16.00	20.00
National Life 25% pd.	51.50	62.00
Saskatchewan Life 10% pd.	7.00	12.00
Sovereign Life 25% pd.	18.00	24.00
Sun Life Assur.	395.00	420.00
Western Assur. c.	14.25	18.00
Western Life 20% pd.	9.00	11.50
Trust & Loan Stocks:		
Br. Mtg. & Trust	120.50	135.00
Can. Gen. Investments Ltd.	4.65	5.00
Can. Investors Corp.	4.75	6.50
Chartered Trust	59.00	63.00
Debenture & Sec. com.	2.25	....
Debenture & Sec. 5% pfd.	11.50	....
Dom. & Anglo Invest. Units	156.00	....
Dom. Scottish Invest. Units	15.00	20.00
Eastern Can. Sav. & Loan	110.50	115.00
Eastern Trust	135.00	141.00
Investment Foundation Units	26.25	29.00
London & Western Trust	....	45.50
Premier Trust	76.00	....
Sec. Holding Corp. pfd.	7.50	....
Security Loan & Savings	90.50	....
Sherbrooke Trust	100.50	109.00
Sterling Trust	....	46.00
Traders Finance 7% A pfd.	33.00	....
Trusts & Guar.	25.00	30.00
Victoria Trust & Savings	130.00	139.00
Waterloo Trust & Savings	90.00	110.00
Power Issues:		
B.C. Elect. Pwr. & Gas 6% pfd.	96.00	99.00
Calgary Power 6% pfd.	76.50	80.00
Can. Light & Pwr. com.	16.25	20.00
Can. West. Nat. Gas LH&P pfd.	76.50	80.00
Maritime Tel. & Tel. com.	8.75	9.75
Maritime Tel. & Tel. 7% pfd.	10.75	11.75
N.B. Telephone c.	7.75	9.00
N.S. L&P c.	25.50	34.00
N.S. L&P 6% pf.	72.50	75.50

Recent London Quotations:

Brewers & Distillers	9s.
Can. & For. Secs.	4s. 6d.
Can. West. Lumber	1s. 9d.
Hudson's Bay	21s.
Do., 5% pref.	85s.
Internat. Holdings	$1⅝
Nfld. Pr. & Pap. deb. stock B	98
Trust & Loan of Can.	3s. 4d.

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Agnew Surpass, pref.	7%	1¾%	Jan. 2	Dec. 15
Assoc. Breweries	...	25c	Jan. 2	Dec. 15
Do., pref.	$7	$1.75	Jan. 2	Dec. 15
Brantford Cordage, pfd.	8%	2%	Jan. 15	Dec. 20
Beatty Bros., 2nd pfd.	$7	$3.50	Jan. 2	......
Biltmore Hats, pref.	$7	$1.75	Dec. 15	Nov. 15
Brewers & Dist., c.	...	10c	Jan. 15	Dec. 30
B. C. Power, A	$1.50	37c	Jan. 15	Dec. 31
Brazilian Tr., pref.	6%	1½%	Jan. 2	Dec. 15
Bank of Nova Scotia	$12	$3	Jan. 2	Dec. 16
Brit. Amer. Oil (No. 15)	80c	20c	Jan. 2	Dec. 16
Belding Corticelli, c.	$4	$1	Feb. 1	Jan. 15
Bell Telephone	$6	$1.50	Jan. 15	Dec. 22
Bruck Silk Mills	..	25c	Jan. 15	Dec. 15
Calgary Power, c.	$6	$1.50	Jan. 2	Dec. 15
Can. Canners, 1st pfd.	$6	$1.50	Jan. 2	Dec. 15
Do., 2nd pref.	20c	5c	Jan. 2	Dec. 15
Do., extra	...	10c	Jan. 2	Dec. 2
Canada Trust	10%	5%	Jan. 2	Dec. 15
Can. Celanese, pref.	$7	$1.75	Dec. 30	Dec. 16
Do., on arrears	...	$1.50	Dec. 30	Dec. 16
Canadian Oil, pref.	$8	$2	Jan. 1	Dec. 20
Canada Northern Pr. c.	80c	20c	Jan. 25	Dec. 30
Do., extra	..	10c	Jan. 25	Dec. 30
Do., pref.	$7	$1.75	Jan. 15	Dec. 30
Can. Perm. Mortgage	$8	$2	Jan. 2	Dec. 15
Can. For. Invest., pfd.	8%	2%	Jan. 2	Dec. 15
Do., com.	50c	25c	Jan. 2	Dec. 15
Central Can. Loan	8%	2%	Jan. 2	Dec. 15
Consumers' Gas	$10	$2.50	Jan. 2	Dec. 15
Can. Gen. Electric	$3	75c	Jan. 1	Dec. 15
Do., pref.	$3.50	87½c	Jan. 1	Dec. 15
Cons. Mining & Smelt.	...	$1.50	Jan. 15	Dec. 30
Cyclops Gas Syn.	12c	3c	Dec. 15	Dec. 14
Dominion Bank	$10	$2.50	Jan. 2	Dec. 20
Dominion Stores	$1.20	30c	Jan. 2	Dec. 15
Dominion Textile	$4	$1	Jan. 2	Dec. 15
Do., pref.	$7	$1.75	Jan 15	Dec. 30
Dominion Glass	5%	1¼%	Jan. 2	Dec. 15
Do., pref.	7%	1¾%	Jan. 2	Dec. 15
Eastern Twps. Tele., c.	72c	18c	Jan. 15	Dec. 31
Ford Motor (No. 31) A and B	...	$1	Dec. 21	Dec. 4
Falconbridge Nickel	...	5c	Dec. 29	Dec. 15
Freiman, A. J., pref	$6	$1.50	Jan. 2	Dec. 15
Goderich Elevator	...	*25c	Jan. 2	Dec. 15
Goodyear Tire	$4	$1	Jan. 2	Dec. 15
Do., pref.	$7	$1.75	Jan. 2	Dec. 15
Gurd, Chas., pref.	7%	1¾%	Jan. 2	Dec. 15
Ham. Un. Theatres, pfd.	$7	$1.75	Dec. 30	Nov. 30
Hollinger Gold	65c	5c	Dec. 30	Dec. 15
Do., extra	...	5c	Dec. 30	Dec. 15
Inter. Nickel, pref.	7%	1¾%	Feb. 1	Jan. 2
Imperial Tobacco, c	35c	8¾c	Dec. 30	Nov. 29
Invest. Foundation, pfd.	$1.50	38c	Jan. 15	Dec. 30
Do., as arrears	...	12c	Jan. 15	Dec. 30
Jam. Pub. Service	$1	25c	Jan. 2	Dec. 15
Do., pref.	$7	$1.75	Jan. 2	Dec. 15
Landed Bkg. & Loan	6%	1½%	Jan. 2	Dec. 15
Mercury Oils, pref.	...	4c	Jan. 2	Nov. 30
McColl-Fron., pref.	$6	$1.50	Jan. 15	Dec. 30
Mitchell, J. S., pref.	7%	1¾%	Jan. 2	Dec. 15
North Amer. Elevators, 1st pfd.	$7	$1.75	Dec. 1	Nov. 15
National Trust	$8	$2	Jan. 2	Dec. 21
Noranda Mines	...	$1	Dec. 30	Dec. 18
National Breweries	$1.60	40c	Jan. 2	Dec. 15
Do., pref.	$7	$1.75	Jan. 2	Dec. 15
Northern Ont. Pr. pref.	$6	$1.50	Jan. 25	Dec. 30
Do., com	$2	50c	Jan. 25	Dec. 30
Ontario Loan & Deb.	12%	3%	Jan. 2	Dec. 15
Ottawa L. H. & Pr.	6%	1½%	Jan. 1	Dec. 15
Do., pref.	6½%	1⅝%	Jan. 1	Dec. 15
Page-Hersey Tubes	$3	75c	Jan. 2	Dec. 20
Do., pref.	$7	$1.75	Jan. 2	Dec. 20
Porto Rico Power, pref.	$7	$1.75	Jan. 2	Dec. 15
Premier Gold Min.	12c	3c	Jan. 15	Dec. 19
Pioneer Gold (B.C.)	60c	15c	Jan. 2	Dec. 8
Provincial Paper, pfd.	7%	1¾%	Jan. 2	Dec. 15
Royalite Oil	...	50c	Dec. 20	Dec. 5
Real Estate Loan	$5	$2.50	Jan. 2	Dec. 15
Riverside S. Mills A	$1	25c	Jan. 2	Dec. 15
Supertest Pete., com. & ord.	$1	25c	Jan. 2	Dec. 15
Do., pref. A	$7	$1.75	Jan. 2	Dec. 15
Do., pref B	$1.50	37½c	Jan. 2	Dec. 15
Southern Can. Power, pfd.	$6	$1.50	Jan. 15	Dec 20
Siscoe Gold Mines	12c	3c	Dec. 30	Dec. 15
Do., bonus	..	2c	Dec. 30	Dec. 15
Sterling Pac. Oil	...	*2½c	Dec. 22	Dec. 11
Sunshine Mining	...	5c&7c	Dec. 22	Dec. 7
United Gold Equities	...	*5c	Jan. 15	Jan. 1
Toronto Elevators, pref.	7%	1¾%	Jan. 15	Jan. 2
Toronto Mortgage	$6	$1.50	Jan. 1	Dec. 15
Western Grocers, pref.	$7	$1.75	Jan. 15	Dec. 20
Wright Hargreaves	20c	5+5c	Jan. 2	Dec. 9

*Interim.

Dividend Rate Reduced—
Canada Permanent Mortgage Jan. 2, $10 to $8 per annum.
B. C. Power, A, Jan. 15, $2 to $1.50 per annum.

Dividend Rate Increased—
Goodyear Tire, com., Jan. 2, $2.40 to $4 per annum.

Dividends Passed or Deferred—
Canadian Car pfd., due Jan. 2, passed. Last paid 43c. Oct. 10, 1933.

Dividends Resumed—
Bruck Silk Mills, 25c. Jan. 15. First payment since 25c. paid May 15, 1930.
Ford Motor Car, $1 Dec. 21. Last payment 60c. June 20, 1931.
Associated Breweries, 25c. Jan. 2. Last payment 15c. Dec. 31, 1932.
Brewers & Distillers, 10c. Jan. 15. Last payment 5c. July 15, 1929.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
December 12, 1933

		Bid December 12	Asked December 12	Bid Dec. 5
Industrial Bonds:				
Abitibi P. & P. 5% 1953	F	18.50	20.50	20.00
Abitibi P. & P. C.O.D.	F	16.50	18.00	17.50
Acadia Sugar 6% 1946		93.00	96.00	92.50
Alta. Pacific Grain 6% 1946		69.00	71.00	69.00
American Sales Book 6% 1939		97.00	....	97.00
Asbestos Corp. 6% 1941	F	29.50	32.50	29.50
Asbestos Corp. 5% 1942	F	45.00	....	45.00
B. A. Oil 5% 1945		99.00	100.00	99.25
B. C. Pulp 6% 1950	F	45.00	48.00	47.00
B. C. Pulp 7% 1950	F	12.00	....	13.50
Burns 5½% 1948	F	28.00	30.00	28.00
Can. Biscuit 6½% 1946	F	14.00	....	15.00
Can. Bread 6% 1941		92.50	94.50	93.50
Can. Cement 5½% 1947		76.00	76.50	75.50
Can. Steamship 6% 1941	F	17.00	19.00	18.00
Can. Canners 6% 1950		97.00	98.00	96.50
Can. Copper Refin. 6% 1945		104.00	105.50	104.00
Can. Cottons 5% 1940		93.00	95.00	94.00
Can. Vickers 6% 1947		47.50	49.00	46.00
Cons. Invest. 4½% 1959	F	52.00	54.00	54.00
Davies, Wm. 6% 1942		97.25	98.50	97.00
Debenture & Sec. 4% 1936		60.00	62.00	59.00
Dom. Tar & Chemical 6% 1949		61.00	63.00	63.00
Dom. Telegraph 5½% 1978 A		80.00	85.00	80.00
Dom. Textile 6% 1949		104.50	105.50	104.50
Dom. Woollens 6% 1948	F	20.25	....	20.00
Donnacona Paper 5½% 1948	F	23.00	25.00	24.00
Eastern Dairies 6% 1949		63.00	64.00	63.00
Famous Players 6% 1948		74.00	76.00	73.25
Federal Grain 6% 1949		65.00	70.00	68.00
Firestone Tire 7% 1937		104.50	106.00	104.50
Fraser Co. 6% 1932	F	41.00	43.50	41.50
Fraser Co. 6% 1950	F	25.00	28.00	25.00
Galt Brass 7½% 1941	F	25.00	....	25.00
General Steel Wares 6% 1952		54.00	56.00	52.50
Goodyear Cotton 6% 1949		102.50	103.50	102.50
Great Lakes 6% 1950	F	19.50	21.00	18.50
Gypsum, Lime & Alab. 5½% 1948		49.00	52.00	43.00
Hamilton By-Prod. 7% 1943		89.50	90.50	88.00
Harris Abattoir 6% 1947		101.00	103.00	101.00
Howard Smith 5½% 1953		72.25	74.00	73.00
Lake St. John 6½% 1947	F	34.50	35.50	35.00
Lake St. John 6½% 1942	F	9.50	11.00	10.00
Loew's Toronto 6% Serial		97.00	....	97.00
Maple Leaf Milling 5½% 1949		34.00	36.00	33.00
Massey-Harris 5% 1947		60.00	62.00	58.00
McColl-Frontenac 6% 1949		95.00	96.50	95.00
McKinnon Industries 6½% 1945		92.00	....	93.00
Mercury Mills 5½% 1953		53.50	56.00	53.00
Minn. & Ont. 6% Serial	F	7.50	8.50	7.50
Price Bros. 6% 1943	F	55.00	58.00	57.00
Provincial Paper 5½% 1947		87.00	....	87.00
Simpsons Ltd. 5½% 1949		72.00	74.00	73.00
Simpsons Ltd. 6% 1949		75.00	77.00	76.00
Steel of Canada 6% 1940		105.00	106.50	105.00
Stop & Shop 6% 1947		71.00	73.00	71.00
Toronto Carpet 6% 1944		90.00	....	90.00
United Corpns. 5% 1953	F	62.00	63.00	63.50
United Gas & Fuel 5½% 1948		63.00	66.00	62.50
United Grain Growers 5% 1948		68.00	71.00	68.00
United Grain Growers 5½% 1949		72.00	75.00	75.00
Wabasso Cotton 7% 1942		70.00	75.00	70.00
Western Grain 6% 1949		....	45.00	....
Public Utility Bonds:				
Bell Telephone 5% 1955		100.00	100.75	101.50
B. C. Power 5½% 1960		90.50	91.50	91.75
B. C. Telephone 5% 1960		94.50	95.75	94.75
Calgary Power 5% 1960		87.00	88.00	84.50
Can. Northern Pwr. 5% 1953		79.00	82.00	78.50
Duke-Price Pwr. 6% 1966		71.50	72.00	71.00
French Nat'l Mail S.S. 6% 1952		115.00	125.00	115.00
Gatineau Pwr. 6% 1941 A		67.25	68.00	67.50
Gatineau Pwr. 5% 1956		76.50	77.00	77.00
Maclaren-Quebec 5½% 1961		80.00	81.00	80.50
Manitoba Power 5½% 1951		32.00	35.00	33.50
Montreal LH&P 5% 1970		104.00	105.00	103.00
Montreal Tram. 5% 1941 July		96.00	99.00	95.00
Northwest Utilities 7% 1938		99.00	100.50	99.00
Ottawa Valley Pwr. 5½% 1970		100.00	102.00	100.00
Quebec Power 5% 1968		91.50	93.00	92.00
Rio Tramways 5% 1935		100.00	103.00	101.00
Shawinigan W. & P. 5% 1970		81.50	82.50	81.50
Shawinigan W. & P. 6% 1937		94.75	95.75	95.50
Southern Can. Pwr. 5% 1955		98.00	99.00	97.50
West Kootenay Pwr. 5% 1956		98.50	99.50	98.50
Realty Bonds:				
Albert Bay 6½% 1942		47.00	50.00	47.00
Balfour Bldg. 6% 1943		36.00	40.00	36.00
Bloor St. George 7% 1946	F	31.00	33.00	31.00
Clarendon Apts. 7% 1936	F	27.00	30.00	27.00
Eaton Realty 5% 1949		88.00	89.00	87.00
Godfrey Realty 6% 1942	F	33.00	36.00	30.00
General Brock Hotel 6% 1948	F	18.00	....	17.00
London Realty 6½% 1950	F	41.00	44.00	41.00
Lord Nelson Hotel 4% 1947		42.00	47.00	....
Mayor Bldg. 6½% 1942		30.00	33.00	30.00
Metropolitan Bldg. 7% 1944		88.00	....	88.00
National Realty 7% 1945	F	24.00	....	23.00
Northern Ont. Bldg. 6½% 1939		71.00	73.00	71.00
Richmond Bay 6½% 1947		64.00	68.00	65.00
Windsor Hotel 6% 1947		45.00	50.00	49.00
Government, Provincial & Railway:				
C. N. R. 4½% 1957 Dom. Gtd.		98.00	98.50	98.25
C. N. R. 5% 1969 Dom. Gtd.		104.75	105.50	105.25
C. P. R. 4½% 1944		72.75	73.50	71.00
C. P. R. 6% 1942		99.50	100.50	101.50
Dom. of Can. 5% 1936		102.25	102.75	102.25
Dom. of Can. 5% 1941		102.25	102.75	102.25
G. T. P. 3% 1962 Dom. Gtd.		83.50	84.25	82.00
G. T. P. 4% 1962 Dom. Gtd.		95.25	96.50	95.25
Ont. Hydro 3½% 1952 Ont. Gtd.		91.25	92.25	91.25
Ont. Hydro 4% 1957 Ont. Gtd.		92.00	93.00	91.00
Prov. of N. B. 5½% 1950		103.00	104.00	103.50
Prov. of Ont. 5½% 1946		106.00	107.00	105.50
Prov. of Ont. 5% 1948		102.00	103.00	102.00
Prov. of Ont. 5½% 1944		100.50	101.50	100.50

F—Traded without accrued interest.

Listed Bond Quotations

Week Ending December 11, 1933

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1933 High	Range, 1933 Low
Abitibi, 1st mtge.§	5	1953	...	19	...	...	18	13
Asbestos	5	1942	...	45	...	...	*65½	49
Can. Cons. Rub.	6	1946	...	†75	...	...	62	...
Can. Cottons	5	1940	8.11	94	...	...	84⅞	...
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Pr. (Laur.)	5½	1958	...	...	...	...	5	3
Do., (Way. Ser.)	5½	1958	...	...	...	...	*28½	5½
Can. S.S. Debs.	5	1943	...	66	...	...	*83½	...
Cedars Rapids	5	1953	...	103	...	...	108	108
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	...	...	...	37	...
McNish	6	1948	...	3.50	3.50	3.25	3.50	1.00
Mex. L. & Pr.	5	1940	...	†59	...	...	*73½	70½
Mtl. L.H.&Pr. debs.	3	1939	...	43⅞	44	43¾	47½	39¾
Mont. Tr. 1st mtg.§	5	1941	5.53	...	...	...	98½	95½
Mont. Trams. A§	5	1955	7.80	71	...	...	81½	58
Do., G. & Ref. B	5	1955	7.44	71	...	...	74½	73⅞
Do., C	4½	1955	9.03	...	...	...	57	57
Do., D	5	1955	7.41	71	...	...	77⅞	76½
N. S. Steel	5	1959	...	...	...	...	*62⅞	58
Ontario Steel	6	1943	7.43	87½	...	...	90	80
Porto Rico Pr.	5	1936	...	...	...	...	*93	88
Steel of Canada§	6	1940	...	105	...	...	*102⅞	100
Wayagamack	6	1951	...	...	...	...	*75	45
Winnipeg Elec.§	5	1935	...	75	...	...	79	78
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Canada	6	1940	...	...	...	...	*101½	...
Dominion Govt. Bonds (Montreal)								
War Loan§	5	1937	...	104.25	....	....	116.25	107.00
Do.	5½	1934	4.36	100.75	....	....	102.60	101.50
Do.	5½	1937	3.47	107.12	....	....	110.25	109.25
Do., refund	4½	1940	4.41	100.00	....	....	101.25	99.70
Do., refund	5	1943	4.72	102.25	....	....	104.90	101.85
Do., refund	4½	1944	4.64	99.35	....	....	100.50	98.25
Do., refund	4½	1946	4.50	99.35	....	....	*92.25	91.50
Do., renewal	4	1952	4.43	94.00	....	....	95.25	91.63
Do., refund	4	1945	4.46	95.00	....	....	96.50	96.50
Conversion Loan	4½	1956	4.57	98.00	....	....	100.70	97.00
Do.	4½	1957	4.57	98.00	....	....	99.00	96.00
Do.	4½	1958	4.60	98.00	....	....	100.75	97.75
Do.	4½	1959	4.56	99.00	99.25	....	108.87	97.75
Nat. Service Loan	5	1936	4.01	102.25	....	....	103.25	101.50
Do.	5	1941	4.62	102.25	....	....	103.75	100.75
Dom. Loan	4	1935	3.80	99.85	....	....	99.75	99.75
Unlisted:								
Cons. Paper	5½	1961	...	....	....	....	....	....
Can. For. Inv. deb.	7	1949	...	96½	....	....	100.00	80.00

†Latest ask. ‡Quotations for 1930. *For 1931. *For 1932. None recorded in 1933 to date. §Payable in Canada and New York.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.

December 12, 1933

	Rate	Actual Maturity	Next Int. Date	Price	Yield
*Alberta	4½	1 Oct., 1958	1 Apr.	84.00	5.71
Alberta	5	1 July, 1943	1 Jan.	92.00	6.08
Alberta	6	1 Mar., 1947	1 Mar.	97.00	6.33
*British Columbia	4½	1 Oct., 1953	1 Apr.	85.00	5.77
*British Columbia	5	15 Jan., 1948	15 Jan.	91.00	5.93
British Columbia	6	15 Feb., 1947	15 Feb.	96.00	6.45
Manitoba	4	1 July, 1947	1 Jan.	84.00	5.72
*Manitoba	5	2 Dec., 1959	2 June	90.00	5.74
Manitoba	6	1 Apr., 1947	1 Apr.	96.50	6.39
*New Brunswick	4	1 June, 1948	1 June	91.00	4.85
*New Brunswick	4½	15 June, 1936	15 Dec.	99.50	4.96
New Brunswick	5½	15 May, 1950	15 May	104.50	5.09
*Nova Scotia	4½	15 Nov., 1948	15 May	98.00	4.68
Nova Scotia	5	1 May, 1943	1 May	100.50	4.94
*Ontario	4½	1 Sept., 1944	1 Mar.	101.00	4.37
Ontario	5	15 Oct., 1948	15 Apr.	103.00	4.72
Ontario	5½	1 Feb., 1947	1 Feb.	107.00	4.78
P. E. I.	4	1 Apr., 1939	1 Apr.	96.00	5.85
P. E. I.	6	1 May, 1947	1 May	108.50	5.12
*Quebec	4½	1 May, 1961	1 May	97.50	4.41
*Saskatchewan	4½	1 Sept., 1955	1 Mar.	82.00	5.98
*Saskatchewan	5	1 Nov., 1959	1 May	88.00	5.91
Saskatchewan	6	15 Mar., 1952	15 Mar.	95.00	6.46
*Newfoundland	5	31 Dec., 1952	31 Dec.	98.00	3.10
*Newfoundland	5½	1 July, 1939	1 Jan.	97.25	3.14
*Newfoundland	6½	30 June, 1936	31 Dec.	97.50	3.13
Cities					
*Montreal	5	1 Sept., 1963	1 Mar.	99.25	5.05
*Toronto	4½	1 Jan., 1955	1 Jan.	94.20	4.90
*Vancouver	5	15 Jan., 1970	15 Jan.	85.25	6.00
Winnipeg	5	1 Mar., 1944	1 Mar.	92.30	6.00
*Edmonton	5½	1 Apr., 1947	1 Apr.	88.50	6.81
Calgary	5	1 Jan., 1943	1 Jan.	87.00	6.83
Halifax	6	1 July 1951	1 Jan.	112.00	4.97
Saint John	5	15 Dec., 1950	15 Dec.	101.50	4.87
Regina	4½	1 July, 1950	1 Jan.	77.50	6.75
Victoria	5	21 July, 1945	21 Jan.	91.50	6.00
Quebec	5	1 June, 1948	1 June	100.00	5.00

*Payable in New York.

LIQUOR PRICES UNITED STATES VARY WIDELY

Local Price Wars Reported — Bootlegger is Still a Problem

TAX FIGHT IS ON

France and England Hampered by Quotas—Canadian Distillers With U. S. Plants Shipping Steadily

Canadian distillers are rushing shipments to the United States to help alleviate the shortage of matured whisky there following "repeal."

Canadian shipments of spirits have been exempted from the quota arrangement invoked by the government to protect United States distillers.

With liquor prices fluctuating widely in various parts of the United States and Federal, state and municipal authorities widely at variance as to the taxes which should be imposed on the industry, investors in stocks of Canadian distillery companies are interested in finding one fact emerge from the welter, that a strong demand is reported from every part where sale is legal. Seasonal influences have had their bearing on this and, in spite of the strength, it is disquieting that price wars were reported in several sections.

Some departmental stores chose to use liquor as a leader for other merchandise and featured low prices. This is the same trade tendency as demoralized milk and bread prices in United States and Canada. Illegal alcohol, which sold for years at from $4 to $5.50 a gallon, is now being offered at $2.50. The start given to beer and wine is one reason why restaurants and hotels have been reported as in several places conducting a price war. In Springfield, Mass., gin and whisky were sold for 10 cents a drink.

Speakeasies Trying Hard

Competition with speakeasies, which are making every endeavor to hold their patrons, is very keen. Dr. James M. Doran, director of the Distilled Spirits Institute, is claiming emphatically at Washington now that a federal tax of $1.75 to $2 a gallon is as high as the government should go if bootlegging is to be ended. The retail price in his view must not go above $2 a quart if this fight is to be won. Edward G. Lowry claims, however, that $2.60 a gallon would allow a price of $1.50 a quart.

Want Whisky Unblended

Canadians may be interested in the fact that publicity with regard to what rectification, blending and cutting can do to spin out United States supplies has had one effect of interest to Canadians in that there is a stiff demand from people with money for whisky that is not blended or treated in any way. Old Canadian whisky in bottles with brands has a chance in this field.

The disadvantage is that imports are by quota but wide powers are given the Federal Alcoholic Control Administration and it is altogether likely that demand of consumers will determine in large measures the issue of permits. The statement that they shall not be less than the average imports between July 1, 1910, and June 30, 1914, means little. The demand is believed to be much more than then for imported liquors because of the present shortage. Applications for imports from France and Great Britain, which in the pre-war period furnished nearly a third of the total wine and spirits imports, have exceeded by many times the average pre-war imports for those nations.

Although definite figures on national quotas and totals of applications are not available, permits for applications from France and Great Britain alone are equal to several times the total quota for all nations, which is approximately 4,800,000 gallons, according to Raymond C. Miller, chief of the foreign trade section of the Agricultural Adjustment Administration, and representative of the Department of Agriculture on the special Treasury Agriculture committee in charge of determining quotas for the initial four-month period.

It has been indicated that any increases in quotas would be granted only in the event that the United States was able to reach trade understandings which would reopen foreign markets for American agricultural and industrial products. The Administration has indicated that the minimum quotas can be increased, but that the United States is unwilling to hand over this new market to foreign exporters without American farmers and businessmen receiving equal trade advantages in return.

Most of the applications for British importations are for Scotch whisky, while the majority of requests for permits for French liquor imports are for wines and champagnes. Agricultural Adjustment Administration officials pointed out that the United States especially wants to regain a substantial share of the foreign markets for American agricultural products which have been lost in recent years, partly as a result of various types of trade barriers.

Canadians Ship Steadily

Canada is not now subject to any quota. The Financial Post is informed by a State Department official at Washington.

Three or four carloads a day are going forward from the plant of Hiram Walker-Gooderham & Worts at Walkerville, to the United States plant at Peoria and there are bottle exports as well. Distillers Corp.-Seagrams will, undoubtedly, have as easy entry as much of her stores go to the new plant at Lawrenceburg for further treatment.

Switzerland's Aluminium

Like Canada, Switzerland is a producer of large quantities of aluminium products, and an industry has grown up which is of international importance. It owes its prominence to the development of the country's water power resources, which in turn has resulted in a plentiful supply of electrical energy on which the manufacture of aluminium is based. There are 55 plants engaged in producing aluminium and allied products.

Coal Conversion Plans Interest All Oil Users

British Experiments and Plans Insurance Against Abnormal Increases in Crude Oil Prices—Not Commercially Feasible Yet in Canada

Those who control the world's great reserves of crude oil are anything but indifferent to the plans for producing oil from British coal. At Cardiff, Wales, recently industrialists and experts announced a plan for construction in the South Wales coalfields of a £7,000,000 plant for the production of oil from Welsh coal. It is proposed to adopt a combination of the hydrogenation and low temperature carbonization processes. The hydrogenation plant would use 365,000 tons of coal annually in the production of 100,000 tons of petrol. Imperial Chemical Industries, parent company of Canadian Industries, has also proposals for a hydrogenation plant at Billingham, and have promised Sheffield forge masters orders of £250,000 for plant.

Ten Plants Suggested

In South Wales it is suggested that ten plants should be distributed along the south-eastern outcrop of the coal fields. The estimate is that these ten low temperature plants would use 3,650,000 tons of coal, producing 240,000 tons of heavy oil, 40,000 tons of light oil and certain other products. This plan looks to the combined plants using more than 4,000,000 tons of coal annually, producing about 1,500,000 tons of liquid and gaseous fuel, and 2,500,000 tons of smokeless fuel. These estimates are based on 1s. per gallon receivable for the 140,000 tons of petrol to be produced annually. They will be helped in their attempts to maintain such a price by a 4d. per gallon guaranteed preference for home-produced motor spirit, it is stated.

Insurance Against Price Increase

It is by no means certain that these schemes will go as far as plans indicate but they are an insurance against abnormal increases in crude oil and gasoline prices. A high price would bring them to fruition quickly. Between 1915 and 1932 there was a decline in output of 78,000,000 tons by the British coal trade and of 340,000 people employed in it. These proposals and estimates for turning 4,000,000 tons of coal into liquid, gaseous fuel and smokeless fuel would make little change in the situation which brought about this decline. However, considering 1930 as a representative year for the next decade, experts in Great Britain expect an annual output of 240,000,000 tons of coal and about 900,000 people employed. Frank Hodges, delivering the inaugural address on coal at the St. John Cass Technical Institute in September, declared foreign oil to be coal's real enemy and he urged a mass research attack on the problem of scientific coal utilization, as "a surer road to travel" than an endeavor to re-establish British coal in world markets.

Canada's efforts to discover a native source of crude oil sufficient for national needs have not been successful to date. Her huge coal areas apparently offer a large reserve against the time when crude supplies begin to fail and prices rise high enough to make hydrogenation commercially feasible and desirable. England's experiments may offer hints as well as to best methods of marketing coal.

MANITOBA FISH INDUSTRY UNDER U. S. DOMINATION

Measures Suggested to Cure Existing Evils

Establishment of a clearing house by the fishing industry in which exporters, representatives of the fishermen and representatives of the Government would be represented; and corrective action by fishermen, through district associations, are two of the chief recommendations made as a result of the investigation of the Manitoba Fishing Industry by a Royal Commission. The commission finds that a combine exists in the marketing of Manitoba fish to the detriment of the fishing industry of the province as a whole.

The combine is specifically described as one existing in the United States, where the bulk of the Manitoba catch is marketed, although it is made possible through subsidiary local companies, including Keystone Fisheries, Northern Lake Fisheries and H. M. McGinnis, Ltd. The combine pertains chiefly to the summer catch of Lake Winnipeg white fish for smoking purposes.

Suggests Conference

The commission suggests the calling of an interprovincial conference in the immediate future to consider developments in the fishing industry in the United States under the National Industrial Recovery Act. Depression conditions have tended to concentrate the United States market in large cities, chiefly New York and Chicago, and the report states: "It is a matter of common knowledge that in these large cities racketeers have come into the fish distributing business, thereby restricting competition and increasing the spread between Winnipeg prices and retail prices in United States cities."

Among practices that should be abolished include the practice of holding meetings of distributors in Chicago and elsewhere to set prices to be paid fishermen in Manitoba and the practice of formulating agreement as to allocation of quantities to be caught without any public body determining whether or not such agreements are in the public interest.

Recommends Clearing House

Recommendations for the proposed clearing house include a membership consisting of holders of exporters licenses, representatives of the fishermen and of the government. Expense of operations would be borne by holders of exporters' licenses to be apportioned as the clearing house may decide. A managing secretary would be appointed who shall not be otherwise engaged either directly or indirectly in the industry. The clearing house would obtain from all shippers a weekly statement of fish receipts from sales, the price for which the fish was sold, its origin and destination. Weekly totals would be compiled. International regulations would be prepared in respect to the control of production, export movements, trade practices and other matters which would then be submitted to the minister of mines and natural resources of the province. The association will also consider the establishment of an adequate inspection and grading system for Manitoba fish with a view to raising the standard of the product.

The report received the unanimous consent of the commission, which consisted of Dr. H. C. Grant, chairman, Thomas Laidlaw, assistant deputy minister of natural resources, Professor Wardle, University of Manitoba, James McLenaghen, M.L.A., Skuli Sigfusson, M.L.A., and E. S. Jonason, M.L.A.

Argentine Exchange Control Issues Import Permits

In an effort to avoid the future accumulation of funds awaiting remittance, a decree has been issued authorizing the Argentine exchange control commission to grant permits for exchange before the actual importation of goods. This does not mean that remittance may be made before shipment, or that a letter of credit may be established, but that importers will be able to apply for exchange before placing their orders, and thus, provided a permit is granted, exporters will be in a more favorable position to secure the receipt of their funds abroad.

It will still be possible to import goods without first obtaining a permit for exchange, the usual application being made after the arrival of the documentary draft in the manner that has been done heretofore. However, exchange for imports of this type will only be granted if there is a balance remaining after the liquidation of the permits issued before the importation of the goods.

Pioneer Gold Mines of B.C.—November production reached a new high record with an output valued at $224,200. Expenses were $68,500, leaving an operating profit of $155,000.

Mining Stock Quotations

Week Ending December 11.

Par Val.	Range 1933 High	Low	Company	Sales	Close Dec. 4 (or last)	High for week	Low for week	Close Dec. 11
1	.02¼	.00¼	Aconda	500	.01¼	.01¼	.01¼	.01¼
No	.30	.03	Aldermac	31,100	.17¼	.18	.16¾	.17
1	.03¾	.01	Alexandria	17,500	.01¼	.01¼	.01¼	.01¼
No	.06	.01¼	Algoma	15,100	.01¼	.01¼	.01¼	.01¼
1	.10¼	.00¼	Algonquin	5,000	.00¼	.00¼	.00¼	.00¼
1	.06	.00¾	Amity Copper	128,303	.02¼	.03¼	.02¼	.03
1	.01	.00¼	Apex	.....	.00¼	.....	.....	.....
1	.07¼	.01¼	Area	.....	.03	.....	.....	.....
No	.11	.03	Arno (new)	6,000	.04	.05	.04¼	.04¼
1	1.36	.74	Ashley	200	1.05	1.00	1.00	1.00
1	.14	.02¼	Bagamac	19,500	.04¼	.06¼	.04¼	.05
1	.03	.00¼	Baldwin	1,000	.01	.01	.01	.01
1	.20	.08	Barry Hollinger	70,800	.13	.14	.11¼	.11¼
1	2.45	.75	Base Metals	6,475	1.50	1.55	1.45	1.48
5	1.29	.60	B. E. A. R.	42,700	.73	.77	.71	.75
1	.48	.29	Big Missouri (new)	17,425	.43	.43	.35	.38
1	.28¼	.08¾	Bobjo	8,900	.20	.20	.19	.19
No	13.25	2.28	Bralorne	3,314	9.10	10.00	9.60	9.95
1	.25	.12	Brett Trethewey	9,700	.14	.14	.12	.12
50c	.42	.25	B. R. Ex. Gold	2,500	.27	.30	.29	.29
1	.07¼	.01¼	Brownlee	13,000	.01¼	.02	.01¼	.01¼
1	.03	.00¼	Buckingham	2,000	.00¼	.00¼	.00¼	.00¼
No	.09¼	.01¼	Buffalo Can.	7,500	.07¼	.08	.07	.08
5	24.60	15.40	Bulolo Gold	2,345	22.50	22.00	20.50	20.50
No	.10	.01	Bunker Hill	20,600	.01¼	.01¼	.01¼	.01¼
5s	1.25	.60	B'Wana McKubwa	.....	.72	.....	.....	.....
No	.05	.02¼	Canam Metals	.....	.03	.....	.....	.....
1	.12¼	.03	Can. Kirkland	15,900	.07	.07	.06	.07
No	.60	.32	Can. Malartic	11,650	.41	.42	.40	.40¼
1	.02	.00¼	Capital Rouyn	4,000	.00¼	.00¼	.00¼	.00¼
1	3.05	2.50	Cariboo G. Q.	1,330	3.00	3.00	2.80	3.00
1	.03¼	.01	Cartier Malartic	3,000	.01¼	.01¼	.01¼	.01¼
1	.72	.15	Castle Trethewey	17,300	.53	.59	.54	.55
1	.20	.06	Cen. Manitoba	12,650	.13¼	.13	.11	.11¼
1	.73	.17	Cen. Patricia	15,125	.47	.50	.46	.48
No	.20	.03	Chibougamau Pros.	178,000	.04	.06	.04¼	.05¼
No	.15	.03	Church. M. & Mill.	10,600	.11	.11¼	.11	.11
No	.04	.00¼	Clericy	7,000	.01¼	.02	.01¼	.01¼
1	.03	.01	Clifton Cons.	10,000	.01	.01	.01	.01
5	9.00	1.65	Coast Copper	810	4.50	4.70	4.20	4.25
1	.15	.00¼	Cobalt Contact	54,600	.04¼	.05	.04¼	.04¼
No	.48	.43	Columario (new)	4,400	.43¼	.43¼	.43	.43¼
5	1.90	.75	Coniagas	1,175	1.25	1.35	1.30	1.30
No	1.00	.20	Coniaurum	5,151	.85	.83	.80	.81
25	144.00	54.00	Cons. Smelters	1,772	132.00	134.50	130.00	130.00
No	40.00	13.60	Dome Mines	4,985	33.25	34.50	32.50	32.60
No	.15¼	.03¼	Dom. Explorers	14,900	.05¼	.06	.04¼	.05
1	.02¼	.00¼	Dominion Kirk	3,500	.01	.01	.01	.01
1	.04	.00¼	Don Rouyn	.....	.01	.....	.....	.....
1	.04¼	.01	Duparquet	.....	.02	.....	.....	.....
1	8.10	1.16	Eldorado	47,670	3.53	3.80	3.42	3.50
No	4.55	1.80	Falconbridge	7,720	3.25	3.45	3.15	3.45
1	.06	.01	Federal	13,000	.01¼	.02	.01¼	.01¼
No	.07	.01	Gilbec	16,500	.02¼	.03¼	.02¼	.03
1	.17	.04	Goldale	6,500	.08¼	.09	.08	.....
10	.29	.10	Goldfield	.....	.18	.....	.....	.....
1	.01¼	.01	Gold Reef	.....	.01	.....	.....	.....
1	.23	.02	Goodfish	10,900	.12	.15	.12¼	.14
1	.04	.01	Graham	19,000	.03	.03¼	.02¼	.02¼
1	1.95	.55	Granada	13,255	.59	.60	.56	.58
1	.18	.05	Grozelle	500	.05	.05	.05	.05
1	.45	.24	Halcrow Swayze	3,050	.36	.35¼	.35	.35¼
1	.06	.02	Harker Gold	2,500	.04	.04	.03¼	.03¼
1	.01¼	.00¼	Hilltop	6,000	.00¼	.00¼	.00¼	.00¼
5	12.50	6.05	Hollinger	70,495	11.60	12.50	11.20	11.90
1	1.51	.61	Howey Gold	26,175	1.00	1.02	.96	1.00
No	12.25	3.10	Hudson Bay	600	9.75	9.65	9.00	9.00
No	.55	.25	Huronian	70	.40	.40	.40	.40
1	13.00	8.50	Inter. Mining	125	12.50	10.00	10.00	10.00
1	4.50	2.75	Do., Pur. Warr.	.....	4.50	.....	.....	.....
No	23.25	8.00	Int. Nickel	28,040	21.00	21.90	21.00	21.50
100	112.50	112.00	Do., pref.	.....	112.50	.....	.....	.....
1	.04¼	.00¼	Jackson Manion	32,700	.02¼	.03	.02¼	.03
1	.70	.20	Keeley	262	.40	.45	.40	.40
1	.02¼	.00¼	Keora Mines	4,000	.01	.01	.01	.01
1	.76	.48	Kirk. Hud. Bay	4,900	.54	.54	.52	.52
1	.02¼	.00¼	Kirk. Hunton	7,000	.00¼	.00¼	.00¼	.00¼
1	.52	.29	Kirkland Lake	14,375	.30	.30¼	.29	.29¼
1	.04¼	.01¼	Kirkland Premier	3,500	.02	.02¼	.02¼	.02¼
1	.52	.12	Kirk. Townsite	3,700	.29	.29	.26¼	.27
20c	.02¼	.00¼	Koot. Florence	2,000	.01¼	.01¼	.01¼	.01¼
1	.35	.15	Lakeland	6,000	.17	.17	.15¼	.15¼
No	.32	.07	Lake Maron	7,500	.09	.09	.08	.08¼
1	52.00	30.75	Lake Shore	6,068	46.00	47.35	44.50	44.50
1	.23¼	.02¼	Lebel Oro	21,000	.13	.15	.12	.12
No	.29	.11	Lee Gold	27,900	.12¼	.15	.12	.13
1	1.29	.20	Macassa	55,575	.79	.83	.77	.78
1	.07¼	.01	Malrobic	12,500	.01¼	.01¼	.01	.01¼
No	.17	.02¼	Mandy	2,500	.07¼	.08	.07	.07¼
No	.07	.01	Manitoba Basin	12,200	.02¼	.02¼	.02	.02¼
5	48.60	21.20	McIntyre	6,455	39.50	41.15	37.60	37.60
1	.55	.30	McKinley	25	.50	.50	.50	.50
No	.08	.01	McLeod River	19,000	.01¼	.01¼	.01¼	.01¼
1	.35	.03	McMillan	81,200	.33	.35	.29	.35
No	1.15	.35	McWatters	9,150	.40	.44	.40	.42
1	1.06	.15	McVittie	73,381	.98¼	1.05	.99	1.03
5	1.25	.06	Mentor Exp. & Dev.	.....	1.05	.....	.....	.....
No	2.65	1.20	Mining Corp.	2,000	1.65	1.70	1.65	1.70
1	.05	.01¼	Moffatt Hall	10,500	.02¼	.02¼	.02	.02¼
1	.12¼	.02	Moneta	41,550	.07	.10	.08	.10
1	.00¾	.00¼	Montreal Rouyn	.....	.00¼	.....	.....	.....
1	.12¼	.02¼	Moss	1,000	.02¼	.02¼	.02¼	.02¼
1	.03¼	.00¾	Murphy	18,000	.01¼	.01¼	.01¼	.01¼
No	.06¼	.02	Newbec	1,000	.02¼	.02¼	.02	.02
1	.06¼	.01¼	Night-Hawk Penn.	2,000	.03	.03	.03	.03
5	3.50	1.15	Nipissing	4,885	2.41	2.51	2.40	2.40
No	39.25	19.25	Noranda	11,172	33.60	35.25	33.85	34.75
No	.52	.28	Nor. Canada	4,500	.35	.30	.28	.30
1	.34	.05	Osisko	.....	.16	.....	.....	.....
1	.46	.11	Parkhill	10,250	.34	.35	.33	.34
1	.03¼	.01	Pawnee Kirk.	.....	.01¼	.....	.....	.....
1	.29	.20	Paymaster	27,266	.21	.24	.20	.24
1	1.80	.50	Pend Oreille	2,450	.67	.77	.70	.77
1	.04¼	.00¼	Peterson Cobalt	16,700	.03¼	.03¼	.03	.03¼
1	16.25	4.30	Pioneer Gold B.C.	27,150	9.30	12.75	9.30	12.20
1	.03	.00¼	Porcupine Crown	2,000	.01¼	.02	.02	.02
1	.01¼	.00¼	Potter Doal	.....	.00¼	.....	.....	.....
1	1.60	.55	Premier Gold	4,750	1.05	1.12	1.03	1.03
1	.03¼	.00¼	Preston E. Dome	1,100	.01¼	.01¼	.01¼	.01¼
No	1.75	.36	Prospectors Air's	1,400	.52	.36	.36	.36
No	.15	.03	Quemont	.....	.10	.....	.....	.....
1	.51	.25	Read Authier	7,000	.31	.30	.25	.25
1	2.75	.70	Reno	17,100	.87	.96	.89	.92
1	.03¼	.00¼	Ribago	8,000	.01	.01	.00¾	.00¾
1	.03	.01¼	Ritchie	.....	.01¼	.....	.....	.....
1	.04¼	.01	Robb Montbray	2,000	.02	.01¼	.01¼	.01¼
1	1.60	.75	San Antonio	14,288	1.35	1.41	1.36	1.41
1	.07	.02	Seven Troughs	.....	.07	.....	.....	.....
1	1.90	.33	Sherritt Gordon	24,795	.92	.93¼	.85	.85
1	1.78	1.25	Siscoe	40,565	1.48	1.52	1.47	1.51
1	.10¼	.02	South Keora	2,000	.02¼	.02¼	.02	.02
No	.16	.10	Stadacona (new)	11,450	.10¼	.11	.10	.10
1	.60	.07	St. Anthony	17,400	.39	.38¼	.32	.34
No	2.21	.60	Sudbury Basin	3,600	1.05	1.10	1.00	1.10
1	.15	.00¼	Sudbury Contact	9,000	.06	.06	.05	.05
1	.02¼	.00¼	Sudbury Mines	6,000	.01	.01	.01	.01
No	.28	.16¼	Sudbury Nickel	.....	.21	.....	.....	.....
1	.38¼	.14	Sullivan	50,600	.26¼	.29	.23¼	.28
1	1.44	.72	Sylvanite	26,550	1.16	1.20	1.17	1.18
1	7.25	3.70	Teck Hughes	22,960	5.60	5.95	5.55	5.85
1	.22	.03	Thom. Cadillac	14,800	.19	.20	.19	.19
1	.61	.10	Towagmac	6,500	.34	.35	.32	.32
1	3.00	.55	Treadwell	500	.60	.66	.55	.55
1	.25	.04	United Kirkland	1,550	.16	.15	.15	.15
No	.06¼	.01	Vacuum Gas	3,500	.01¼	.01¼	.01	.01
No	2.40	.30	Venezuela	.....	1.06	.....	.....	.....
No	1.50	.71	Ventures	12,510	.74	.76	.73	.73
1	.22	.01¼	Vickers	6,000	.01¼	.01¼	.01¼	.01¼
1	.75	.20	Vipond	5,962	.45	.46	.43	.45
No	1.80	1.15	Waite Amulet	3,741	1.15	1.26	1.15	1.26
50c	.75	.32	Wayside	81,100	.35	.38	.32	.35
No	.29	.18	White Eagle	28,550	.24	.25	.23	.23
1	.08	.02¼	White Lake	.....	.03¼	.....	.....	.....
1	.28	.02	Wiltsey Coughlan	13,100	.12¼	.12¼	.08¼	.08¼
1	.27	.05¼	Wood Kirkland	2,000	.07	.06	.05¼	.05¼
No	8.60	3.73	Wright-Hargreaves	40,720	6.80	7.00	6.50	6.50

OIL STOCKS

Par Val.	Range 1933 High	Low	Company	Sales	Close Dec. 4 (or last)	High for week	Low for week	Close Dec. 11
No	.32	.07¼	Acme Gas & Oil	20,300	.15¼	.16¼	.15	.16¼
1	.05	.04¼	Admiral	.....	.05	.....	.....	.....
No	.01	.01	Advance	.....	.01	.....	.....	.....
1	.07	.04	Anaconda	3,500	.05	.04¼	.04	.04¼
1	1.60	.55	Ajax	1,625	1.05	1.08	1.03	1.03
1	.68	.05	Alta. Pacific	1,500	.16	.18	.17	.18
1	.20	.05	Amalgamated	33,000	.09	.09¼	.07¼	.08¼
No	1.10	.04¼	Associated	1,875	.21	.26	.21	.21
No	.26	.01	Baltac	1,500	.05	.06	.05¼	.06
No	2.50	.25	Calgary & Ed.	10,400	.90	1.05	.80	.90
1	.45	.03	Calmont	3,300	.11¼	.12¼	.10¼	.11
1	.25	.03¼	Common. Pete.	200	.08	.08¼	.08	.08
No	2.50	.11	Dalhousie	8,205	.46	.52	.49	.50
No	.19	.02	Devenish	.....	.10	.....	.....	.....
No	.55	.05¼	East Crest	5,100	.26	.28	.26	.28
No	.36	.20	Erie Gas	.....	.20	.....	.....	.....
No	.02	.00¼	Fabyan Pete	11,000	.00¼	.00¾	.00¼	.00¾
No	1.75	.06	Foothills	175	.32	.39¼	.35	.35
No	.28	.06	Freehold	13,000	.09	.10	.08¼	.10
No	.12	.01¼	Hargal	500	.08	.05	.05	.05
No	4.05	.30	Home	43,612	1.35	1.78	1.38	1.69
No	.05	.02¼	Homestead	.....	.02¼	.....	.....	.....
1	.25	.10	Homestead O. & G.	12,500	.16	.16¼	.12	.16¼
No	.47	.10	Lowery	1,500	.15	.17	.17	.17
No	.06¼	.01¼	Madison	6,500	.03	.01¼	.01¼	.01¼
No	.20	.05¼	Marjon Oil	2,000	.09¼	.10	.09	.10
No	.10	.03¼	McD. Segur Ex.	2,000	.05¼	.04¼	.04¼	.04¼
1	.08¼	.05	McD. Segur N.	.....	.05	.....	.....	.....
1	1.10	.25	McLeod	1,000	.30	.33	.33	.33
No	.30	.07¼	Mercury	16,100	.13	.14	.12	.14
No	.45	.11	Merland	20,500	.23	.27	.24	.24
1	.01¼	.01	Mid West	.....	.01¼	.....	.....	.....
No	.35	.09	Mill City Pete	.....	.16¼	.....	.....	.....
1	.50	.12	Model	8,675	.22	.27	.24	.27
5	.30	.08¼	Nordon	32,200	.09¼	.12	.08¼	.09¼
No	.12¼	.02¼	Oil Selections	13,670	.05¼	.05¼	.04¼	.04¼
No	.20	.04	Okalta	.....	.05¼	.....	.....	.....
No	.61	.20	Olga Gas & Oil	12,500	.26	.28	.25	.27¼
1	.25	.13	Petrol Oil & Gas	2,000	.16	.16¼	.16¼	.16¼
No	.02	.02	Richfield	.....	.02	.....	.....	.....
No	23.00	5.75	Royalite	1,977	18.00	18.25	17.55	18.00
1	.25	.05	Sarnia Oil	19,800	.07¼	.12	.09¼	.11
No	.45	.04	South West Pete.	.....	.11	.....	.....	.....
1	.39	.06	Spooner	1,500	.22	.18	.18	.18
No	.75	.12	Sterling Pacific	22,850	.45	.49	.40	.42
No	.43¼	.43	Trinidad Oil	.....	.43¼	.....	.....	.....
No	.25	.03	United	2,200	.05¼	.06	.05¼	.06
No	.25	.06	Vanalta	1,500	.12	.10	.09	.10
No	.90	.65	Wainwright West	15,300	.68	.75¼	.70	.75

VANCOUVER STOCK EXCHANGE
(Transaction for Week to December 6.)

Par Val.	Range 1933 High	Low	Company	Sales	Close Nov. 28 (or last)	High for week	Low for week	Close Dec. 6
25c	.03	.00¼	Bayview	.....	.04¼	.....	.....	.....
20c	.10¼	.02¼	Beaver Silver	3,500	.06	.06¼	.06	.06
25c	.17	.03	Big Slide	8,500	.03¼	.03¼	.03¼	.03¼
25c	.06¼	.02	Bluebird	.....	.02	.....	.....	.....
No	13.00	1.38	Bralorne	5,942	8.20	10.00	8.40	9.65
1	.57	.05	Bridge River Cons.	28,300	.17¼	.22	.17¼	.21
50c	.71	.22	Bridge River Exp.	31,850	.25	.30	.25¼	.29
100	99.00	88.50	B. C. Electric, pfd.	.....	99.00	.....	.....	.....
1	.60	.33	B. C. Nickel	10,450	.40	.45	.40	.42
1	1.50	.60	B. C. Silver	.....	1.00	.....	.....	.....
No	.82	.52	Burns Mountain	.....	.55	.....	.....	.....
1	.36	.35	Cariboo Central	300	.....	.36	.35	.36
1	4.60	1.50	Cariboo Gold	8,915	2.60	3.15	2.60	2.95
No	12.90	5.60	Coast Breweries	176	9.25	9.00	9.00	9.00
25c	.02¼	.00¼	Cork Province	4,000	.01	.01¼	.01	.01
1	.05	.02¼	Cotton Belt	.....	.05	.....	.....	.....
50c	.21	.21	Dentonia	.....	.21	.....	.....	.....
1	.08	.01¼	Dalhousie Mines	4,000	.01¼	.02	.02	.02
1	.21¼	.02	Dunwell	3,000	.13¼	.15	.14	.15
1	1.00	.28	George Copper	50	.30	.30	.30	.30
50c	.12	.03	Geo. Enterprise	.....	.03	.....	.....	.....
1	.09¼	.02	Georgia River	9,000	.02¼	.02	.02	.02
1	.60	.16	Golconda	500	.42	.49	.40	.40
50c	1.25	.35	Gold Belt	5,000	.35	.30	.27	.29
1	1.50	.95	Golden Belle	.....	1.50	.....	.....	.....
50c	.11	.03	Grandview	6,400	.03¼	.03¼	.03¼	.03¼
1	.29	.28	Grull Wihksne	200	.28	.28	.28	.28
1	.09	.08	Home Gold	.....	.09	.....	.....	.....
1	.01¼	.00¼	Independence	8,500	.01	.01	.01	.01
1	.03¼	.01	Indian Mines	.....	.01¼	.....	.....	.....
1	.17	.08¼	Inter. Coal	1,000	.11	.12	.12	.12
1	.36	.36	Jack Waite	.....	.36	.....	.....	.....
50c	.57	.18	Kootenay Belle	1,000	.20	.23	.23	.23
25c	.04	.00¼	Kootenay King	.....	.01	.....	.....	.....
25c	.01	.00¼	L. & L.	4,000	.00¼	.00¼	.00¼	.00¼
1	.01	.00¼	Lakeview	.....	.00¼	.....	.....	.....
10c	.06¼	.01	Lucky Jim	.....	.03¼	.....	.....	.....
50c	.01¼	.00¼	Marmot Metals	2,000	.00¼	.....	.....	.....
10c	1.05	.20	Meridian Min.	22,700	.26¼	.30¼	.26	.29
1	.10	.07	McGillivray Creek	.....	.07	.....	.....	.....
5c	.13	.04¼	Metaline Metals	.....	.04¼	.....	.....	.....
1	.12¼	.12	Minto Mines	1,000	.12	.12	.12	.12
No	.01	.00¼	Mohawk	1,000	.00¼	.00¼	.00¼	.00¼
25c	.41	.15	Morning Star	62,800	.16¼	.20	.16	.18¼
50c	.17	.05	Mogul	.....	.07	.....	.....	.....
50c	.06	.00¼	Morton Woolsey	3,500	.01¼	.02	.01¼	.02
1	.29	.04	Native Sons	17,950	.05	.05	.04	.04
1	.10¼	.01¼	National Silver	7,500	.04¼	.05	.04¼	.04
50c	1.14	.74	Nicola	63,425	1.10	1.14	1.09	1.14
50c	.21¼	.02¼	Noble Five	31,700	.07¼	.09¼	.07¼	.08¼
50c	.01	.00¼	Oregon Copper	.....	.01	.....	.....	.....
1	.35	.15	Pavilion	.....	.15	.....	.....	.....
1	1.25	.40	Pioneer Extension	.....	1.10	.....	.....	.....
1	16.10	4.30	Pioneer Gold	2,560	8.50	10.75	9.00	10.60
1	.11	.10	Planet	.....	.10	.....	.....	.....
50c	.19	.04¼	Porter Idaho	8,000	.09	.10	.09	.10
No	.04	.00¼	Premier Border	26,900	.01	.01¼	.01	.01¼
1	.10	.02	Quatsino Copper	1,500	.02¼	.02	.02	.02
No	.42	.10	Reeves McDonald	1,000	.10	.15	.15	.15
1	.30	.25	Reliance	.....	.27	.....	.....	.....
1	2.70	.60	Reno Gold	34,150	.80	1.00	.80	.90
1	.22	.04	Reward Mining	2,500	.06	.08	.06	.06¼
1	.10	.01	Rufus Argenta	2,000	.02	.02	.02	.02
1	.07	.01	Ruth Hope	.....	.02¼	.....	.....	.....
1	.65	.30	Sally Mines	1,000	.30	.30	.30	.30
1	.15	.03¼	Silverade	.....	.06	.....	.....	.....
25c	.09	.01¼	Silver Crest	9,000	.02¼	.02¼	.02¼	.02¼
20c	.03¼	.01¼	Silversmith	1,000	.03	.02	.02	.02
50c	.04¼	.01	Snowflake	.....	.01¼	.....	.....	.....
25c	.06	.06	Sonora	.....	.06	.....	.....	.....
1	.61	.28	Standard Gold	1,500	.40	.30	.28	.28
1	3.30	3.00	Sunshine	5,200	3.00	3.30	3.20	3.30
1	.50	.20	Sunloch	100	.24	.20	.20	.20
5	.40	.20	Toric	.....	.40	.....	.....	.....
50c	.03¼	.00¼	Topley Richfield	.....	.00¼	.....	.....	.....
No	.49	.40	Taylor Br. River	5,750	.42	.43	.40	.43
50c	.72	.08	Wayside	47,528	.33	.40	.34	.36
25c	.12	.01¼	Waverly Tangier	26,330	.01¼	.02¼	.01¼	.01¼
20c	.05	.01¼	Wellington	1,000	.02	.01¼	.01¼	.01¼
No	.36	.20	White Eagle	1,000	.22	.24	.21	.24
1	.18	.01¼	Whitewater	8,000	.06¼	.06¼	.06¼	.06¼
1	.48	.40	Yankee Belle	.....	.42	.....	.....	.....

DIVIDEND PAYERS

	Rate	Yield %		Rate	Yield %
Ajax Oil	8c.	7.76	McLeod Oils†	5c.	.....
Bulolo Gold‡	60c.	.....	Mercury Oils	4c.	.....
Coast Brew.	92c.	.....	Merland Oils‡	5c.	.....
Coniagas‡	12½c.	.....	Noranda†	$1	.....
Coniaurum†	3c.	.....	Petrol Oil‡	1c.	.....
Cons. Smelters*	10%	.....	Premier	12c.	11.65
Dome Mines	$1+55c.	4.75	Pioneer, B.C.	60c.	4.91
Falconbridge	25c.	.....	Royalite	$1	.....
Goldfield Cons‡	5c.	.....	Siscoe	12+2c.	9.26
Hollinger	65c.+20c.	7.19	Sterling Pacific Oil‡	3c.	.....
Howe Sound	$1	.....	Sunshine Min.	5+7c.	.....
Int. Coal & Coke‡	2c.	.....	Sylvanite	4+3½c.	.....
Lake Shore	$2+$1	6.74	Teck-Hughes	60c.	10.25
McIntyre	1.87½	4.98	Wright-Har.	20c.+10c.	4.61

*Stock. ‡Interim. †Initial. *Paid in 1932.

Unlisted Mining Stocks

December 12, 1933

	Bid	Ask		Bid	Ask
Abana	.04	.07	Lake Geneva	.10	.16
Adanac G. Un.	75.00	90.00	Lake Malartic	..	.50
Algoma M. & Fin.	.08	.12	Lake Sawpawe	.20	.25
Alschbach Gold	.01½	.02½	Little Long Lac.	.95	1.00
Athadome	.06	.09	McCarthy Webb.	.09	.11
Arntfield Gild	.80	.90	McChesney		
Arntfield Synd.	.70	.80	Moss Uu.	20.00	35.00
Astoria Rouyn	.02	.04	MacKenzie Red Lake	.45	.49
Bathurst	.01	.03	McL. Cockshutt	.17	.21
Beattie	1.18	1.24	Man. & Eastern	.05	.07
Bidgood	.01	.02½	Maple Leaf M.	.30	.32
Buff. Ankerite	1.20	1.30	Matachewan Can.	.09	.11
Bussieres Min.	...	.40	Mecca Gold	.20	.23
Can. Radium	.06	.09	Metals Develop.	.03	.04
Canusa Mining	.03	.05	Minefinders	1.00	..
Cent. Kirk Un.	9.00	11.00	Minrand Gold	..	.30
Chelt. Swastika	.01	...	Montreal-Alb. Petroleum	.38	..
Cochenour-Wil. Units	15.00	20.00	N.A.M.E. Units	5.00	6.00
Continental Gas	...	.10	Normetal Min.	.45	.65
Continental Gold Units	...	130.00	Northl'd Pros.	500.00	600.00
Continental Kirk.	...	.06	N'W. Que. Pros.	..	20.00
Crown Reserve	.01	.02½	O'Connell Gold	.26	.30
Delta Units	35.00	55.00	Oro Grande Dev.	.45	.60
Dorval Siscoe Units	...	25.00	Peninsular Pet.	.00½	.01
Dunkin	.01	.02	Pontiac Rouyn	.41	.45
Dunlop Cons.	.01½	.02	Que. Eureka Un.	16.00	20.00
Eagle Oil	1.20	1.30	Quebec Pros.	2.50	..
Echo Bay Explor.	...	.35	Quetario Pros.	..	2.00
Edgecreek Un.	10.00	16.00	Rubec Mines	.01	.02
Fairmac Un.	...	10.00	Silveradium Un.	50.00	75.00
Flintoba	.00½	.01½	Silver Valley	.14	.18
Galatea Units	15.00	25.00	Smelter Gold	.20	.22
Glenora Gold	.20	.28	Sourdough Un.	5.00	10.00
God's Lake	.62	.66	South Tiblemont	.10	.15
Goldside Units	24.00	30.00	Do., Units	35.00	45.00
Gr. Bear Lake	.35	.40	Sudbury Stralak	.00½	..
Greene Stabell	.41	.45	Sun Bear	.20	.27
Gregg Oil Un.	1900.00	..	Sunorca Explor.	1.00	1.15
Gunnar Gold	.51	.55	Swayze Contact	.16	.20
Herbin Lake Un.	10.00	16.00	Tiblemont Island	.10½	.11
Horseshoe	.09	.13	Tom Montgomery Un.	..	150.00
Iroquois Kirk.	.16	.18	Trusted Inv. Syn. Units	16.50	18.50
Island Lake	.06	.09	Tyrrell Tp. McN.	..	40.00
Kenty Gold	1.00	1.15	West McWatters Units	..	15.00
Kirk. Gold	.10	.15	Young Davidson	.17	.21

The above table is made up from quotation sheets of several brokers. The Financial Post does not guarantee the quotations but can supply any subscriber with the name of the broker from whose sheet any particular quotation was taken.

Winnipeg Stock Exchange

(Transactions for week to December 9)

Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close Dec. 9
..	..	Associated Oil	50	.20	.20	.20
4	6.7	Canadian Fire Ins.	5	60	60	60
..	..	Central Manitoba	300	.12	.12	.12
..	..	God's Lake	500	.65	.65	.65
20	6.3	Great West Life	3	315	315	315
50c	3.6	Imperial Oil	202	14	13¾	14
..	..	Inter. Nickel	20	21.40	21.40	21.40
..	..	San Antonio	1,100	1.40	1.34	1.40
..	..	South Tiblemont	100	.17	.17	.17
..	..	Smelters Gold	2,000	.18½	.18	.18
1	10.5	United Grain	10	9½	9½	9½
..	..	West Breweries	100	1	1	1
7	8.1	West. Grocers, pref.	40	88	86	86½

Stocks Not Traded in During Week*

	Bid	Ask		Bid	Ask
Beaver Lumb. pref.	..	65	Northern Trust	..	16
Beaver Lumber c.	..	4	Reliance Grain pfd.	..	45
City Dairy 8% pf.	..	35	Sovereign Life	..	20
Cres. Creamery pf.	10½	..	Traders Bldg. Assn.	65	..
Home Investment	20	..	Can. Amer. Tr. shs.	3.00	..
Monarch Life 10% pd.	17	..	Fundamental Ser. A	..	4¼
Nor. Mtg. part pd.	..	5	Fundamental Ser. B	..	4
Pelissiers c.	½	..	Group Income Shs.	4.30	..
			Can. Invest. Fund.	3.30	..

*Stocks more active on other exchanges not included.

CON. SMELTERS DECLARE DIVIDEND OF $1.50 A SHARE

Marked Improvement is Made in Earnings—1933 Estimate $1,000,000

Reflecting improved conditions in the company's widespread operations, which centre on the production of lead-zinc-silver, The Consolidated Mining & Smelting Co., Canada's largest producers of these metals, has announced a cash dividend of $1.50 per share or six per cent on the $25 par value shares, payable January 15, 1934 to shareholders of record December 30, 1933.

In a preliminary official estimate, directors state that earnings in 1933 are expected to be about $1,000,000, equivalent to $1.77 per share, after provision for depreciation and depletion. This compares with a loss of $800,031 in 1932 after provision for depreciation and depletion of $2,402,056.

In an official statement directors commented on the affairs of the company as follows:

"These profits, coupled with a reduction in metal stocks to normal proportions, have liquidated the bank loan and built up a substantial cash surplus.

"Operations," the statement concluded, "are proceeding smoothly. Metal stocks are well sold. Fertilizer sales are better on the Canadian prairies. Export fertilizer business is quite good."

Last year in lieu of cash a stock dividend of ten per cent was paid, or one share issued for each ten shares owned. A similar policy was followed in 1931, when two five per cent stock bonuses were paid.

The production of metals in the first nine months of 1933 shows very little change from that reported in the same period of 1932. In the three months ended September 30, 1933, the silver production showed a small improvement as compared with the same period in 1932, as did lead and zinc. This indicates that the improvement in metal prices accounts for the principle improvement in the company's position.

The following tabulation shows comparative production figures for the first nine months of 1933 as compared with the same period of 1932.

Production

	First 9 mos. 1933	1932
Lead, tons	91,757	92,061
Zinc, tons	46,043	50,127
Copper, tons	......	383
Gold, ounces	17,380	24,441
Silver, ounces	4,235,393	4,214,366

McDougall-Segur Reports $271 Loss in 19 Mo. Period

The annual report of McDougall-Segur Exploration Co. of Canada for the 19 months ended September 30, 1933, showed a net loss of $271 as compared with a net loss of $2,404 in the previous 17 months' period ended February 29, 1932. Income from royalties received amounted to $6,339, miscellaneous income $494 or a total income of $6,833. Royalties and depletion accounted for $4,247, while administration and general expenses accounted for $2,857 making a total operating expense of $7,104 and a net loss of $271.

The balance sheet shows current assets of $7,476 in addition to loans totalling $121,025 to the new McDougall-Segur Oil Co. Current liabilities of $474 leaves a net working capital of $7,002 compared with $8,124 on February 29, 1932. The capitalization remains unchanged at 2,638,469 shares of no par value out of the 3,000,000 shares authorized.

Gold Mining Resuscitated in Leipsigate Area of N. S.

Much of the interest in the Nova Scotia field at the present time is centred on the developments in the Leipsigate district seven miles west of Bridgewater, Nova Scotia. The claims of the Meguma Belt Co. cover the whole length of the Leipsigate vein for a distance of 2½ miles. This vein has been traced by surface trenching and shaft driving for a distance of 9,000 ft. The holdings of Meguma Belt include the mines formerly worked and known as the Micmac, which produced $274,000, Jack Pot, German and Gilmore. The shaft of the Micmac is down 640 ft. One reason the mining operations were stopped in the early days was because of power but today an electric power line of the Nova Scotia Power Commission is on the property. The ore is free milling and the production records of the Micmac show it averaged $12 per ton in gold. Meguma Belt Co. has its properties free and clear and no liabilities. It is capitalized at $1,000,000 with 650,000 shares in the treasury.

Sullivan Gold Mines Arrange for Finances

From Our Own Correspondent

MONTREAL.—Sullivan Gold Mines is officially reported to have completed arrangements for financing up to the point of mill installation. The funds provided by this financing are sufficient to carry out the programme of development outlined by Ventures Ltd. recently. The deal involves the purchase of the balance of the shares in the treasury of Sullivan Gold.

Members of the new group are: H. A. Paradis, Charles Trudeau, Alfonse Racine and Romeo Gauvreau.

Dominion Stores Sales Down 13 p.c. in Year

Sales by Dominion Stores Ltd. showed practically no change in the four week period ended December 2, totalling $1,499,915, as compared with sales of $1,500,287 in the preceding period. Sales were 10.54 per cent under sales in the corresponding period of 1932 with 31 fewer stores in operation.

Sales for the 48 weeks of record in 1933 total $18,092,933, or 13.29 per cent under sales of $20,866,943 in the corresponding period of 1932. Elimination of unprofitable units has had the effect of reducing sales volume.

Sales by four week periods are as follows:

Four week period ending	1933 $	1932 $	Incr. %
Jan. 28	1,398,267	1,749,931	20.10
Feb. 25	1,501,638	1,857,574	19.16
Mar. 25	1,555,614	1,885,675	17.50
Apr. 22	1,585,418	1,795,015	16.13
May 20	1,554,037	1,774,837	12.44
June 17	1,584,054	1,742,883	9.11
July 15	1,512,522	1,690,551	10.53
Aug. 12	1,441,313	1,662,125	13.28
Sept. 9	1,470,398	1,594,898	7.81
Oct. 7	1,569,470	1,755,770	10.61
Nov. 4	1,500,287	1,681,058	10.75
Dec. 2	1,499,915	1,676,626	10.54
Total	18,092,933	20,866,943	13.29

Index to Mining Stocks

The weighted index number of twenty mining stocks computed by the Dominion Bureau of Statistics on the base 1926=100, was 107.5 for the week ending December 7, as compared with 105.0 for the previous week. Eleven gold stocks rose from 100.3 to 103.2, four gold-copper stocks from 133.9 to 135.7, and five silver and miscellaneous stocks fell from 38.0 to 37.4.

B. C. Nickel Under Spell of New York Promoters

From Our Own Correspondent

VANCOUVER—At a shareholders' meeting of the B. C. Nickel Mines held recently, A. H. Douglas, K.C., was reelected president of the reorganized company. The new board will consist of Col. Victor Spencer, Bernard, "Ben" Smith of New York, David Sloan, Thomas E. Bragg of New York, and J. T. Johnson. G. N. Stacey is the secretary.

Operations at the property on Emery Creek are progressing rapidly. Equipment has been installed and a start has been made in driving the 4,000 ft. tunnel, which is expected to be completed by the middle of the summer.

Power is being supplied by Diesel engines, but within the next ten days a hydro-electric system will be in operation, permitting speeding up of work. The tunnel is being driven to pick up the downward extension of the vein system disclosed on the surface and if the values found are as expected, the management will go ahead in the building of a mill and bring the property into production.

Nickel Production Highest Since Dec., 1929

Nickel production in Canada advanced to 10,714,021 pounds in October from the preceding month's total of 10,625,853 pounds, according to the Dominion Bureau of Statistics. The October output was the highest on record since December, 1929. In October, 1932, the production was 2,137,670 pounds. Output during the ten months ending October totalled 63,492,241 pounds as compared with 27,736,290 pounds in the corresponding period of 1932.

Lake Shore Air Blast Not of Serious Nature

To allay fear in the minds of shareholders of the recent reported air blast at the mine, Lake Shore officials have issued the following statement:

"Rock pressure acting on the floor pillar above the 2,201 east stope and beneath the 2,001 east drift caused parts of this pillar to break up with a certain amount of explosive action. No men were hurt.

"The damage to the stope is principally confined to a length of 50 feet where some rock dropped a distance of 10 feet from the back of the stope on to the floor of the stope. All the remaining 550 feet of the stope is open and in good condition. Some of the drift timber on the 2,000-foot level above this pillar was slightly damaged.

"Bursts from the same cause, of varying intensity, some more severe than the one in question, have occurred in Kirkland Lake during the last two years."

Bulolo Gold Dredging Handles Smaller Yardage

From Our Own Correspondent

MONTREAL.—Bulolo Gold Dredging reports November estimated working profits to the Montreal Curb Market at $152,880 with gold figured at $30 per fine ounce in Canadian funds. The gross production from dredges No. 1 and 2 totalled 6,764 fine ounces of gold from 400,200 cubic yards of gravel. The estimated working profit is calculated at 5,096 fine ounces of gold.

Bulolo reports that the reduced yardage for the month was due to power interruptions.

From Nov. 17 to Nov. 30, inclusive, dredge No. 3 dug 8,200 yards from which was recovered 670 fine ounces of gold. On account of adjustments to gold saving equipment, this dredge will now operate continuously for several months, the company reports, and no estimate of estimated monthly profits will be made during that time.

Foundation Co. Finish Toronto Intake Contract

From Our Own Correspondent

MONTREAL.—Foundation Co. of Ontario, a subsidiary of Foundation Co. of Canada, has completed work on the construction of the new Toronto water intake. This job was started late in 1931 and completed this year, some seven months ahead of the time limit allowed under the contract. The completed cost of the project was in the neighborhood of $760,000.

Metal Prices

New York—December 12—
Copper: Electrolytic spot, 8c. lb.
Silver: 42¾c.

London—December 12—
(Long Ton)—
Copper: Electrolytic spot, £33 10s; future, £34.
Standard spot, £30 10; future, £30 12s 6d.
Tin: Spot, £228 5s; future, £228 5s.
Lead: Spot, £11 10s; future, £11 15.
Zinc: Spot, £14 12s 6d; future, £14 17s 6d.
Silver: 18½d per ounce.
Gold: 126s 4½d.

Canada—December 12—
Gold: $31.91.

At the Mines

Barry-Hollinger Gold Mines.—Officials state that milling operations are to be resumed early in January. Colin A. Campbell has been appointed mine manager, succeeding J. A. Houston. The main winze has been sunk to a depth of 2,250 feet, with stations cut at the 2,125 and 2,200-ft. levels.

* * *

Bear Exploration — Radium.—J. J. Gray has been elected to the board to represent W. H. Wright, reported to be the largest shareholder in the company. R. E. Hardy was also made a director to represent the New York interests. G. M. Standifer, president of the company, said "that the company is amply financed and that developments are proceeding satisfactorily. The sinking of the freighter Speed, on Great Bear Lake with certain of our mill machinery, has caused a slight delay in production plans."

* * *

Dome Mines.—Production in November was valued at $358,700 exclusive of exchange compensation, as compared with $350,960 in October. The total production for the eleven months ended November 30, was valued at $4,171,500 from a total of 501,660 tons of ore milled, an average recovery of $8.32 per ton.

* * *

Goodfish Gold Mines.—Shareholders have approved the sale of the company's assets to the Goodfish Mining Co., with a capitalization of 3,500,000 shares, 1,700 of which have been issued for the property and other assets. The old shareholders are to exchange shares on the basis of one new for two old.

* * *

Mathews Gold Mines.—Plans for the construction of a 50-ton mill on the company's property north of the Treadwell-Yukon holdings in Pascalis township, Quebec, are said to be well advanced with production expected early in the year.

* * *

New Goudreau Gold Mines.—Shareholders have received notice of special general meeting to be held in Toronto December 22, to approve of the formation of a new company to be known as Algold Mines Ltd., having a capitalization of 2,500,000 shares. The plan is to sell the properties and assets, subject to the bond mortgage, to the new company for sufficient shares to permit a share-for-share exchange of new for old stock, new shares to be held in escrow for 18 months. Financing interests are to receive options on 1,100,000 new shares at prices ranging from 10 to 50 cents.

* * *

Porcupine Crown Mines.—In an official statement to shareholders, C. N. Haldenby, president, says the company holds 75 per cent interest in the Chester Gold Mines, which is developing 14 claims in Chester twp., Three Duck Lake area. Four veins have been encountered and work is centred on stripping and trenching.

* * *

Stadacona Rouyn Mines.—Instead of proceeding with shaft sinking to an immediate depth of 1,200 feet, as previously announced, it is now planned to explore an ore body intersected in diamond-drilling. Crosscutting is to start at once on the 300-ft. level toward this ore body, some 500 feet west of the shaft.

* * *

Sterling Pacific Oil Co.—A dividend of 2½ cents per share has been declared payable December 22, to shareholders of record December 11. The last dividend—three cents per share, was paid on August 1, 1933, and an initial dividend of 2½ cents per share was paid in 1932, bringing the disbursement to date to eight cents per share.

* * *

Wainwright West Oils.—At the annual meeting held in Toronto December 11, shareholders were presented with the annual report showing a net profit of $16,883 for the period ended October 20, 1933. Current assets were shown at $27,248 and current liabilities at $4,972. Shareholders were told that it was the intention to drill five additional wells.

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The Week in Mining

Hollingers Advance

HOLLINGER Consolidated Mines featured the market activity of the gold shares showing a market strength not shared by other leading gold producers, and touched a new high of $12.50 per share on December 6, the highest price for the stock since 1928. Rumors that were officially denied, were that large blocks held intact for many years by big shareholders have been sold to New York buyers. The more acceptable explanation is that Hollinger's earnings are higher than at any time since 1926 with indicated earnings in the third quarter of 1933, close to $1.45 per share, which give a yield of nearly 12 per cent on the investment. Maintaining this earning is of course, contingent upon present price of gold being held, but the higher price of gold has also materially augmented Hollinger's ore reserves and made large quantities of marginal ore profitable. This, together with power shovel mining some of the ore near the surface that has been passed up in recent years because of its proximity to surface plant, further augments Hollinger's ore reserves. In addition its Young-Davidson property in the Matachewan area holds possibilities as a profitable undertaking with gold at present levels and a mill is in the course of construction, which is planned to bring this property into production on an initial basis of 500 tons daily by May next.

* * *

Granada Slumps Again

THE market value of Granada Gold Mines has again weakened to 56 cents notwithstanding optimistic official statements, which lack detail and were in themselves sufficient to cause a wary buyer to be suspicious. From a low of 55 cents in mid-October the shares gyrated to 85 cents on November 9, coincident with the official announcement that a further New York deal had been arranged. There is a great disparity between recent official statements of development at the mine and the information possessed by well informed engineers. Whichever viewpoint represents the true state of affairs of the property, it is up to officials of Granada to publish a financial statement and give shareholders detailed information if they wish to clear away suspicion that the property is a sick mine.

The fact that the company has under way an aggressive deep development programme and put new engineers in charge of mining operations at a time when another New York financial group becomes interested, indicates that ore developments on the upper levels have been far from satisfactory and that the deep development programme was inaugurated in an effort to keep the company's small mill in operation.

In any event shareholders are entitled to know the facts when the market swings between broad price ranges.

OLD ROSSLAND AREA TAKES ON NEW LIFE

Many Old Producers Being Worked by Lessees

From Our Own Correspondent

ROSSLAND—The high price of gold has spurred miners of the metal here to great activity and the shipments being made from the properties under lease by experienced miners to the Trail smelter, are increasing as the work of recovering ore progresses.

A careful survey of the properties under lease and of the properties being developed in the free gold mining area on O.K. Mountain reveals that over 150 men are being employed.

Roy Stephens, who has been connected with the mining engineering department of the Consolidated Smelters for many years, considered one of the best miners in the province, has a lease on the old War Eagle mine.

Mr. Stephens has the largest payroll of any of the operations here at present, 40 miners being employed at his property, while others are employing from five to fifteen.

It is stated that twenty of the old claims of the Consolidated Smelters are under lease to former employees and others and that from all the mines shipping from this district today, the production in gold will exceed that of the Premier Mine in the Portland Canal district.

From the free gold area some of the ore, especially that of the famous old I.X.L. mine, runs high in gold, a recent shipment of 1,700 pounds giving the I.X.L. leasing syndicate returns of about $9 per pound. Free gold could be seen in some of this ore.

The O.K. Syndicate, which has been at work for some years on the O.K. mine on O.K. Mountain, is said to have shipped 79 pounds of ore which gave returns of almost $900.

Petrol Oil & Gas Plan Capital Reorganization

Shareholders of Petrol Oil & Gas Co. are in receipt of a notice calling an annual meeting on December 15 in Toronto to ratify the reorganization of the capital structure.

Plans call for changing the present capitalization of $2,000,000 in $1 par value shares, of which 1,100,000 shares are outstanding to 300,000 shares of no par value of which 220,000 shares will be outstanding. This is to be accomplished by an exchange of the existing outstanding shares on the basis of five old for one new and the cancelling of 500,000 of the old shares.

By the reorganization of the capital structure the present discount on shares standing at $170,537 will disappear and a distributable surplus of $70,694 will be set up after showing $220,000 value for the 220,000 shares, which will be outstanding.

Hollinger's Fourth Bonus Brings 1933 Divds. to 85c

Hollinger Consolidated Gold Mines has declared its regular five cent dividend payable December 30 to shareholders of record December 15. In addition, it is paying a bonus of five cents per share. This is the fourth bonus to be paid this year and will bring the total dividend disbursements to 85 cents per share as compared with 75 cents paid in 1932, which included a total bonus of ten cents per share.

Canadian Mining News

KIRKLAND GOLD FINDS RICH ORE BELOW 5,450 FT.

Costs Are Comparable With Other Mines in the Area

By a Staff Editor

KIRKLAND LAKE.—What is regarded as one of the most important though belated developments in the long search for a big ore body at the Kirkland Lake Gold Mining Co., is the find made on the lower or 5,450 ft. horizon.

In October last after drifting some 600 ft. along the main vein on the 5,450 ft. level, two short crosscuts put out into the footwall, encountered high grade ore showing 15 ft. widths. At a point some 175 ft. east of the main crosscut from the winze, 60 ft. of drifting has been done and at a point 360 ft. west of this main crosscut about 100 ft. of drifting has been done, all in ore. Contrary to reports, all four faces were in ore when operations were shifted to the probing of the possible extension on the levels above. Drifting is now under way on the 5,025 ft. and 5,325 ft. levels, neither of which has had any work before. Crosscutting to the vein is progressing, but the vein has not yet been reached or drifting done. Diamond drilling from the 5,450 ft. level for 175 ft. below, encountered an extension of the eastern ore shoot at this depth with width and value maintained.

Gold Value Doubles Ore

The present price of gold has been of immense assistance in furthering the ore position of the company and advantage is being taken to treat much of the low grade ore, which would otherwise not be profitable with gold at $20.67 per ounce. In the third quarter of 1933, ended September 30, the normal value per ton treated was $6.88, as compared with an average of $8.45 for the full nine months' period ended September 30. Officials estimate that the company's ore available has been doubled as a result of $30 gold. Mining operations presently being conducted in the old workings on the fifth level emphasize what $30 gold means. In order to compensate for the lower grade of ore treated, the tonnage of the mill is being gradually brought up from 131 tons daily, the average for the first nine months of this year, to a projected tonnage of 175 daily. Costs comparable with the large producers in the camp are being maintained and the evidence of efficient mining by William Sixt, manager of the company, is told by official figures. Lake Shore treating some twenty times the amount of ore had over all costs in the last fiscal year of $7.77 per ton. Wright-Hargreaves treating about six times the amount of ore as Kirkland Lake Gold Mining Co. had costs of $7.91 per ton. Costs for Kirkland Lake Gold Mining in its last fiscal year were $8.32 per ton or about 41 cents above that of Wright-Hargreaves. When it is considered that some of the ore has to be handled three times through two extension shafts making the deepest mining operation in Canada and with milling equipment reflecting the ravages of time, its low costs are better understood.

Profit for 1933 $105,000

Indications are that the value of the company's production for 1933 will be approximately $520,000, while estimated costs may be taken at $415,000 giving a net profit for 1933 of approximately $105,000 as compared with $137,000 last year.

The cash position of the company will show but little decrease at the year end, notwithstanding its heavy commitments in financing the Kenty Gold Mines, a promising prospect, control of which is under option to the company.

Dr. J. B. Tyrrell Returns Logan Medals to Canada

A collection of some 37 medals and emblems awarded to Canada's first director of the Geological Survey—Sir William E. Logan, has been brought back to Canada through the activities of Dr. J. B. Tyrrell, Canada's well-known explorer and geologist. Since the death of Sir William in Wales in 1875 this impressive collection of medals, awarded to him by various governments during his active life, has remained among his family connections in Wales and it is doubtful if any living Canadian has ever set eyes on these tokens of esteem in which Canada's first mines official was held.

From 1843 to 1867 and Confederation, Sir William was provincial geologist of Ontario and Quebec. After Confederation he was made the first director of Geological Survey and served from 1867 to 1869 after which he retired to Wales where he died.

One of the most impressive of the medals is the Emblem of the Star and Castle awarded by the Portuguese government.

While the medals have no direct connection with anyone in Canada, the public-spirited enterprise of Dr. Tyrrell in bringing them back to the land of Sir William's achievements, will be regarded as of real value historically and inspirationally.

Can. Mining Engineers In Demand in Far Fields

The worth of Canadian mining men is being appreciated abroad. This week James Hall, B.Sc., formerly with the Hammell interests, left to fill a position with one of the larger gold producers in the Philippines. He will be located near Baguio, the summer capital of the archipelago.

H. J. C. Conolly, formerly geologist for the Lindsley interests of Toronto, who came to Canada from England about six years ago, has just left to accept a position in the gold fields at Kalgoorlie, Western Australia.

Not long ago another Canadian engineer, J. M. Forbes, B.Sc., who was formerly the manager of the Siscoe Gold Mines, left for Kenya Colony, in Africa, to assume a position with the Timmins interests.

Bobjo Mines Option Claims In Stevenson Lake Area

Bobjo Mines has optioned the Kirkland Cliff group of 21 claims at Stevenson Lake, due east of Island Lake in Northern Manitoba and about midway between that point and Norway House. The winter road from Norway House to Island Lake passes through the claims which were staked this summer and are planned for progressive exploration next year.

Noranda's Dividend $1.50 Share in 1933

Directors of Noranda Mines have declared a dividend of $1 per share payable in Canadian funds on December 30 to shareholders of record December 15. An interim dividend of 50 cents per share was paid in United States funds on July 10 this year, bringing the total disbursement for 1933 to $1.50 per share as compared with $1.10 paid in 1932 and 50 cents paid in 1931.

WAYSIDE MINES RAISES CAPITAL

Funds Required for Further Development and Mill

The announcement this week that Wayside Consolidated Gold Mines proposed increasing its capitalization from $2,000,000 to $2,500,000 by creating an additional 1,000,000 new 50-cent par value shares, came as a surprise, for as late as September, Purves E. Ritchie, managing director of the company, in an advertisement sought to contradict the erroneous statements then being circulated about the company's financial position. The information then given to the shareholders was that the company had ample funds in its treasury to complete its present development programme. These funds, The Financial Post was informed, were approximately $50,000 at that time; in addition there were 100,000 shares which had been donated to the treasury and would be sold for the benefit of the company.

An annual meeting of shareholders is called in Vancouver for Dec. 21 when the increase in the capitalization will be submitted for shareholders' approval. According to an official announcement by the directors, the increased capitalization is to provide for further development and mill construction. An eastern and Vancouver syndicate has undertaken to underwrite 500,000 new shares at 30 cents each, giving the company an additional $150,000.

Stock All Issued

At the time the shares were listed on the Standard Stock & Mining Exchange last May, all of the then authorized capitalization of $2,000,000 had been issued, of which 1,516,329 shares were held in escrow by the Toronto General Trusts Corp. One-half of these escrow shares were for release on Nov. 1, 1933, and the balance on Feb. 1, 1934.

Out of the original issue of 1,900,000 fully paid shares made to the vendors in consideration of the mining claims turned over to the company, the vendors donated back to the company 383,671 shares for the purpose of aiding the financing of development. Messrs. Calquhoun and DeWolf of Vancouver contracted to purchase 284,400 of these donated shares. The company's registration under the Securities Act of B. C., showed Messrs. Calquhoun and DeWolf as holding 1,565,600 shares.

Five Cent Shares Sell at 72 Cents

The balance sheet as at Aug. 31, 1933, shows current assets of $46,925 and current liabilities of $6,263, leaving a net working capital of $40,662. Proceeds of the sale of 1,850,000 shares at five cents per share amounted to $92,500, which helps explain why refinancing is necessary while the shares distributed through the exchange sold up to 72 cents each.

In a statement to shareholders, James Whitcomb, president of the company, comments as follows:

Mill Foundations Being Laid

"Your directors have been considering the erection of a mill and the bringing of the mine into production. It is their considered opinion that the commercial ore already developed, together with the present indications of additional ore of commercial qualities, justify them in proceeding immediately with the erection of this proposed mill."

Dealing with mine development, P. E. Ritchie, managing director, states that an intense programme of work was carried on on levels 1, B2, 3 and 4. Within the shear zone on levels 2, 3 and 4, a good grade of milling ore was proved. After making a thorough survey of the dip and strike, a new low level tunnel was laid out. Work on this tunnel is being rushed as rapidly as possible. Two crosscuts put out encountered the downward continuation of the shear zone. On the west vein system considerable work has been carried out with satisfactory results. Sinking and raising from the No. 5 level will be undertaken, with an extensive diamond drill programme to be started immediately. The company has ample power for its proposed mill. Mr. Ritchie states that plans are completed for the mill and foundations are being laid.

HAMMELL'S PARTY IN SOUTH YUKON FIND PLACER GOLD

Workings Found on Liard of Operators 60 Years Ago

With exploration parties returning from the season's work at the placer property of Northern Aerial Canada Gold in Southern Yukon, news is forthcoming that brands the find of real importance and presages a more extensive programme developed next year which includes core drilling.

Northern Aerial has had two parties in the area this past season, one in charge of James Hall, B.Sc., whose camp was at the juncture of the Sayyea Creek and the Liard River with activities bent on exploring the placer beds of Sayyea Creek. The other party was headed by Tom Creighton, veteran prospector long associated with John E. Hammell and his exploration party, who has been prospecting the district for its placer possibilities.

Development this year was centred along Sayyea Creek, some 12 miles up from its mouth. Here claims have been staked and extensive trenching done in the gravel beds, particularly at the bends of the creek, which have yielded, in some cases, spectacular values in coarse gold. The result of this work has been so encouraging that plans now call for core drilling the gravel beds to depth.

Many Telltales Left

The attention of the property was brought to Mr. Hammell by Fred Tigert, a prospector who has lived in the area for many years. Interest, however, dates back to 1874 when one, Sayyea, prospected the area and gave the creek its name. Since that time various prospectors have visited the field and it is estimated that approximately $40,000 has been taken from the immediate area. Many traces of the early prospectors are left and the Hammell party found old tools and evidences of old workings. Even the remains of a log cabin of the early prospectors still record some of the hardships of the pioneers. Written in pencil, but still preserved on the inner face of the logs of the cabin are notations of the activities in the early days. Among them the death of one S. T. Fraser is recorded as taking place in 1883. The site is in a most inaccessible area except by the use of aeroplane, which recalls that in 1929 the ill-fated Burk expedition to the area resulted in the death of Burk, who flew into the area with a prospector named Martin, as well as two additional lives lost by aviators in the search for Burk.

The Indians of the area are said to be superstitious and the evidence of their superstition is confirmed by the Hammell party who saw an Indian woman with one limb paralyzed—the result of pegging out in the snow for witchcraft. It seems that the hunt had been poor that season and that the medicine man had accused the Indian maid, at that time quite young, of putting a curse on the hunting. On two occasions the maiden was rescued by prospectors in the area from a more serious fate. Once she was strung up by her wrists and as a result has been paralyzed ever since due to the exposure.

McDougal Segur Oil Reports $7,595 Profit

The financial statement by the New McDougall-Segur Oil Co. for the 19 months ended September 30, 1933, showed a net profit of $7,595. Sales of crude naphtha totalled $70,980 and sundry income was $1,573. From this there were deducted operating and reduction expenses: provincial gasoline tax, $17,586; government royalties, $2,669; Dominion sales tax, $1,558; operating expenses, $18,576; administration and general expenses, $5,150; depreciation, $6,056, and interest on loans, $13,442, leaving a net profit and surplus of $7,595.

The balance sheet as at September 30 showed current assets totalling $17,874. Current liabilities total $6,696, leaving a net working capital of $11,178.

From the company's refining subsidiary a net profit and surplus of $3,777 was reported. The annual meeting of the company was held in Calgary on December 9.

Additional mining news on page 17 this week

Nicola Mines Programme Financed Thro' Exchange

Seeks to Rehabilitate Old Producer on Profitable Basis Through Merger of Extensive Vein Systems

The advance of shares of Nicola Mines & Metals to a new high of $1.14 each has drawn attention to the activities going on at this property in an effort to bring it into production next spring with the present 100-ton mill, which is to be rehabilitated.

Formerly known as the Planet Mining & Reduction Co., this property and the Donohue claims that figured in the merger of the present company have long been known to the mining fraternity of British Columbia but have been quiescent since 1930 when the Planet Co. failed to make a commercial success following the construction of the 100-ton mill in 1929. This failure, according to the Department of Mines of British Columbia, was due to a number of causes. It was not only a financial failure but a technical failure, due to the ill-advised attempt to work on a disproportionate scale one small vein of a whole series, which together might have formed the basis of a profitable development.

Enlarge Possibilities

With the view of consolidating the holdings claims in the area, and enlarging the mining possibilities, the Nicola Mines and Metal Co. acquired the adjoining Donohue claims which now gives the company 865 acres in one block at Stump Lake, midway between Kamloops and Merritt, B.C., 23 miles from rail transportation at Nicola Station.

In effecting this consolidation, Nicola paid $100,000 for the former Planet property, or about one-half that owing to its creditors, leaving nothing for the common shareholders. The Donohue property was acquired for 2,,000,000 Nicola Mines & Metal shares. The vendors of the Donohue claims distributed 450,000 of the 2,000,000 vendor shares to the former shareholders of Planet on the basis of one new share for each two shares held, all these shares being in escrow. In addition, the Planet shareholders were offered the right to purchase free stock on the basis of one new share for each two shares held at 50 cents each.

The financing of Nicola Mines & Metal was effected through Bartley & Co., bond dealers, of New York City, and it is the shares underwritten by this company that are being distributed largely through the Vancouver Stock Exchange and subsidiary fiscal agents, thus providing the funds for the present development programme.

Net Treasury 17½ Cents

Initially the Clifton Corp., comprising a New York group, underwrote 2,000,000 shares of treasury stock at 17½ cents per share. They also cleaned up some outstanding debts of the Donohue Mines Corp., amounting to about $38,000. Of the 2,000,000 shares belonging to the Clifton Corp., 1,000,000 shares were underwritten by Bartley & Co. at 40 cents each and as previously stated, are now being distributed at prices that have gradually advanced from around 60 cents a share to $1.14 on the Vancouver Stock Exchange. This in effect means that of the shares being distributed, 17½ cents net is accruing to the treasury of Nicola for development work.

Officials say plans are under way to list the shares on the Standard Stock & Mining Exchange, Toronto.

In order to support the present market for Nicola shares, officials state that they have taken 41,000 off the market and given rights on 56,000 shares at 50 cent. Thus, when financing is completed, $850,000 will be placed into the treasury at Nicola and 1,000,000 shares will remain in its treasury for further financing, if and when required.

Development work was resumed on June 30 and has been under competent technical direction. The chief programme centres about the extension of the adit on the 320 ft. level of the old Planet property to reach the Joshua vein on the Donohue section of the property. This adit, some 1,600 feet in length, has just reached its destination and where cut the vein is reported four feet wide. This adit will provide the main haulage level to the mill and be some 2,250 feet in length.

Active Programme Under Way

This cross-cut will, therefore, serve to further develop the Enterprise vein on the Planet section of the property, which heretofore was the only vein mined by the Planet Co. Midway toward the Joshua vein the Tubal Cain vein was intersected, which will give the company three main veins to develop instead of one which provided the mill feed for the Planet Co.

In addition to these three main veins, five additional veins, varying in width from 8 inches to 27 inches, have been encountered in this crosscut, none of which has yet been explored.

Drifting has started south on Joshua vein and north and south on Tubal Cain vein, both on 400-ft. level. At the same time sinking the Joshua shaft in ore and working on a raise from 400- to 300-ft. level is under way. All drifts are in full face of ore with average value in faces over $15 in gold, according to reports from the mine.

In order to get the proper perspective of the operations of the company, a review of the older operations is necessary. The Enterprise vein, the main vein on the Planet property, outcrops on the hill at an elevation of about 400 ft. above the level of Stump Lake. It has a strike approximately north and south dipping into the hill at an angle of 45°. This vein was originally opened up by means of an inclined shaft and winze to the 440-ft. level. This vein pinches and swells the width sometimes reaching 6 or 7 ft. but the average width for the distance stoped is about 2 ft.

The mineral content of the ore is gold, silver and lead.

B. C. Mines Comment

The Department of Mines of British Columbia commented on these early operations as follows:

"Early in 1930 it was ascertained that considerable values in gold were being lost in the tailings, and during the year the amount treated was approximately 17,000 tons of ore, representing a gross value of about $100,000. (This is equivalent to about $6 a ton).

"During the latter part of the year it is probable that there was a falling off in grade due to the necessity for extracting ore from the upper levels of the mine where more than ordinary low grade conditions of the vein had been developed. Conditions in general at this property since erection of the mill have been as might be expected, subject to the disadvantage attaching to a mine which is being operated for the purpose of keeping a mill running before it has been developed adequately, and it is to be remarked that this mill was out of proportion to the capacity for ore supply represented in the vein upon which the operations of the company were concentrated. At no time during the year has there been more than four months of ore in reserve. The inevitable result was that late in the year when it was found impractical to continue stoping operations in the upper levels the available ore was exhausted.

"It does not seem probable that continuous operations can be assured profitably in this way. On the other hand, the work which has been done and the results that have been obtained in establishing the value of this vein, as an individual member of a series of veins, are encouraging to a policy of intense development."

Much Work in Old Days

The Tubal Cain vein was developed several years ago by two adits driven into the hillside. This vein is to be connected up by shafts from the main cross-cut adit through a shaft and upon the completion of the cross-cut, 1,000 ft. of drifting north and 2,000 ft. drifting south from the point of intersection of the cross-cut is planned.

On the Joshua vein an inclined shaft was sunk on the vein 440 ft. and four levels established at 100-ft. intervals with a small amount of stoping done on the upper three levels.

The programme of the present company has been to deepen this shaft to an immediate objective of 1,000 ft. Already it stands at approximately a 550-ft. depth at which level a station will be cut and a drift run the full length of the Joshua vein which has an indicated length of some 3,000 ft.

It has not been the policy of the present company to give particulars of ore developments or to make statements regarding assays based on channel samples unless channel samples are made at 3-ft. levels for a considerable length, which would give a true picture of the development. At the present time a technically directed programme is under way to connect up and open up the three main vein systems after which drifting and careful sampling will be undertaken.

B. C. Mines Department Hopeful

The concluding paragraph of the report of the Minister of Mines in 1931 seems to summarize the present position of the company which heretofore has never enjoyed the technical direction or financial support that is now being provided. The report says: "Failure was due to ill-advised attempts to work on a disproportionate scale one small vein of a whole series which together might have formed the basis of a profitable development."

Nicola Mines and Metal was incorporated with a B. C. charter this year, having a capitalization of 5,000,000 shares of no par value. Upon completion of the financing referred to above, 4,000,000 shares will be outstanding. The company is headed by Peter Bancroft, former president of Planet Mines, Vancouver, B.C. Other directors include C. A. Moon, C.E., M.E., Kamloops; I. A. Shiller, New York; Peter Adams, Jersey City, and M. E. Erdofy, of New York, president of Bartley & Co., and director of the present programme of development.

Canadian Mineral Production

Compiled by The Dominion Bureau of Statistics

	Unit	August, 1933	September, 1933	Nine Months Ending September 30, 1932	Nine Months Ending September 30, 1933
Asbestos	ton	16,393	18,564	83,540	98,120
Cement	brl.	449,305	424,710	3,807,830	2,377,379
Clay products	$	263,736	253,433	2,999,099	1,621,095
Coal	ton	893,608	1,134,412	8,013,698	7,660,094
Copper	lb.	28,099,702	30,554,881	184,999,178	216,045,890
Feldspar	ton	913	1,436	5,592	5,518
Gold	fine oz.	256,561	235,596	2,280,109	2,205,736
Gypsum	ton	69,034	35,618	338,788	263,134
Lead	lb.	23,883,989	22,967,275	189,117,513	195,619,106
Lime	ton	30,598	28,601	239,740	214,32[illegible]
Natural gas	M. cu. ft.	945,161	1,153,714	17,046,715	16,414,516
Nickel	lb.	10,197,480	10,625,853	25,598,620	52,778,220
Petroleum	brl.	100,602	97,342	817,580	828,712
Salt (commercial)	ton	17,180	17,498	122,376	131,831
Silver	fine oz.	1,185,584	979,286	13,931,850	10,599,298
Zinc	lb.	16,299,969	18,309,672	131,306,306	132,265,824

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Christmas Brings New Challenge

For My Lady Dresser Gifts A Certain Hit

Economics of Dressing Give Leads for Male Buyers

PERFUMES PLEASE

Familiar or Impersonal Note May be Struck — Novelties if Fashion

Economics of My Lady's dressing table might be likened to the economics of an industry. The equipment consists of what might be termed capital goods and consumer goods. The capital goods would perhaps include such relatively imperishable articles as dresserware, in china, silver and gold, and the consumer goods would be the powders, perfumes, rouges, and cosmetics generally.

So St. Nicholas may choose for Christmas gifts for the dressing table those things which satisfy the primal human passion for permanent possession, or the equally fundamental desire for the wherewithal to enhance My Lady's charms.

Perfumes always please My Lady. Nowadays there are such alluring scents devised that one encounters names like Vers Toi. In the vernacular this might be interpreted "come hither," and in the familiar too. Then we have Vel de Nuit, which may or may not be "night flight" smacking of elopement and romance generally. Other intriguing odors are bottled under names like Surrender and Invitation. The ingenious containers are themselves invitations. The satisfactory thing about buying perfumes is that My Lady always likes to have greater variety. So several kinds can be combined in one gift, if need be.

Powders and Rouges

Then we come to powders, rouges and lipsticks. These present more of a problem for the male purchaser because there appears to be some need for expert selection. Colors alone baffle most men. Unless one knows what shade is in fashion, or suits the particular style of beauty, it is either best to ask or to refrain. And sometimes asking spoils the fun. Sachet powder can always be given with confidence, however. Several scents can be combined in one gift, so that if My Lady abhors lavender, the ashes of roses is sure to please. Then there is always

Christmas Time

Courtesy of Simpsons.

A wrist watch makes an ideal gift for young or old.

bath powder, if one is on sufficiently familiar terms. Crystals for the bath also make a hit, and can be had in legion colors and aromas.

Then we come to the capital goods. A vanity box for the dresser makes a highly fashionable gift this year. This article must be distinguished from the vanity case or "compact" in which My Lady is wont to dabble in public, as the male dabbles in stocks. The vanity box contains compartments for the consumer goods like powders, rouge, perfumes, and what not. Its exterior is often designed in antique style. The top can be an old-fashioned frame containing an old-fashioned print in colors, because My Lady is now veering toward the antique. Then when the top is lifted the inside discloses a looking glass. The thing is, in fact, a giant "compact."

Again in the antique mode are some of the new styles in dresserware. An imitation or plate of old gold for hand-mirror, brushes, manicure set, and the other capital goods equipment is highly popular. This can be obtained with or without brilliants in the designs. Then, of course, there is always the reliable sterling silverware, which can be obtained in every conceivable shape and pattern. An advantage in silver is that prices do not yet fully reflect the rise in prices of this metal.

Lamps and Novelties

A pair of boudoir lamps in the small size for the dresser would make a "simply devastating" gift. Depending on the scheme of decoration, Dresden ladies, Chinese flowers, crystal, silver, old gold, or modern styles might be best suited. Colors in Dresden, Chinese and modern fantastic lamps can be obtained to strike the right note in any scheme of decoration.

To make a hit in the modern style of gifts, one of the notable mediums is Lalique glass. Glass in many other forms, some imitative, most weird, can also be given. Lalique, however, has the advantage of being ultra fashionable. My Lady is constantly wishing to increase her stock or add to its variety. Perfume bottles, powder boxes and pin trays in Lalique have all the intrigue of design of the undiscovered sea serpent, and various anatomical and astronomical monstrosities.

Another novelty gift is the musical powder box. Usually in antique design of old gold, with enamel, this little charmer plays a tune when My Lady opens it. Unlike the musical cigarette box this device never embarrasses the user, or at least, hardly ever. And those who have them are the envy of their friends.

Good Books Demand Good Company

Courtesy of Ryrie-Ellis-Birks.

For the library and den artists and craftsmen have combined to furnish numberless articles of use and beauty. Book ends and cigarette containers are available in almost endless variety.

Better Days are Dawning, Old Man Depression Ill

Christmas Cheer is Cheerier This Year as Good News Mingles With Bad—Buying Exceeds Last Year's Volume — Quality Goods Sought

Dawn of better times! A long hard winter! A more cheerful spirit! Problems of relief great! More factories working, more hours with more men at work!

International trade hampered by uncertainty of exchange! Nations of the Empire opening up new avenues of trade under the aegis of Imperial pacts! Still too much wheat at too low prices in Canada! Canadian bacon and dairy products finding their way back into British markets! Canadian newsprint volume slowly picking up but at prices distinctly unprofitable! Canadian lumbermen and gold miners busier than at any time in Canadian history!

Some business men saying times were never so hard for them! Bank, railroad and other statistics showing that on the whole there is a gradual upbuilding of production and trade as a possible basis for better times!

More active trade does help out Christmas. Canadians were merry in the Christmas seasons of 1930, 1931 and 1932 though business got progressively worse. Those who were not bankrupt or out of work did at Christmas time throw an extra log on a metaphorical fire as a comfortable answer to the blasts of adversity howling through the rest of the year. Like the three little pigs of Walt Disney they sang a prophetic version of "Who's Afraid of the Big, Bad Wolf?" The big, bad wolf is still slinking around but farther away as factory smoke and busier men begin to make Canada less attractive to him. He cannot tell whether songs of early birds are premature or harbingers of the spring break-up, but he is uneasy and does not look so big or bad as he did.

Merchants Are Busier

Merchants are busier and therefore happier this Christmas. They are employing more people, buying more from producers and selling more to consumers. A cold winter is making the demand for sports goods and for seasonable clothing insistent and a great deal of it is going out or being bought as Christmas gifts. It has incited more people than usual to early shopping but the rush of the last days will be there as usual. In the United States crowds of people have been doing more Christmas shopping than for years, incited by the fear that prices under the N. R. A. may be higher later.

Predisposition this year seems to be to quality goods. Apparently it is characteristic of a time of convalescence from a depression that people demand greater value for their money than at any other time. Merchants are therefore still featuring their goods at attractive prices and they have prepared for the type of demand that is developing.

Luxury goods make a stronger appeal at a time like this for those who have a surplus. Beautiful plate, masterpieces by workers in precious metals and jewels, fabrics and garments in weaves and designs which to men are mystic and wonderful, offer at prices far below what a time of prosperity will see. Wonders peculiar to the last decade, such as radios in cabinets of chaste and beautiful design, the new automobiles with power and performance superior to anything in automobile history and even aeroplanes in exceptional cases are sold at prices which make the inferior models of some years ago appear to have been sold at ridiculously high figures. In each case invention has gone so far that one is sure that a purchase will not be superseded in essentials for years to come and that in service and appearance many years of delight can be obtained from such presents.

Music Still Hath Charms

Apparently the advent of the radio and the modern gramophone is accentuating instead of decreasing the desire of parents that their children should learn to play the piano, the violin, the violincello and other musical instruments. The vogue for band music and for orchestras is recreating the desire of many young men to belong to bands or orchestras. Music still "hath charms" and therefore bears a large part in decisions this Christmas as to gifts.

Santa Himself in Toyland

Most active business of all is in the toy department. Whoever else has been neglected, parents have strained the purse rather than disappoint their wildly expectant children. Stores have neglected no thought which would help in rendering their toy departments more attractive to the young minds and the adult children who often are unconsciously indulging their own fancies in their purchases for children.

The most extravagant buying is by young men whose fancies have seriously turned to thoughts of love. The heaviest buying is family buying, however, father dipping down into the exchequer, mother slipping down to the stores and the rest making their wants and wishes known more or less indirectly.

Merry Christmas is good for business; good business makes Christmas merrier; the merrier any period is the more is life worth while. Therefore The Financial Post wishes all its readers a Merry Christmas as a promising beginning for a Happy New Year.

Trays Give Distinguished Service

Courtesy of T. Eaton Co.

The decorative value of carefully designed trays is immediately apparent in these four examples of the craftsman's skill. Left to right: antique tray of mahogany with brass bindings; oblong tray of wood with sporting print on enamelled wood; glass bottomed tray with walnut rim; ivory and wood tray with design in brilliant colors.

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Modern Helps In Housework Pay Dividends

Obsolete Equipment Can Well be Replaced at Christmas Time

Modern wives need modern aids to maintain modern homes. Obsolete equipment is given short shrift in offices and factories yet often remains to hinder rather than aid the housewife in her multitude of daily chores. Christmas is as good a time as any to buy up-to-date equipment for the home; it is the logical time to start the new year right on a more efficient basis.

Housekeeping should no longer be pure drudgery; a round of mopping up after the ice man and cleaning up after the coal man. Monday wash days need no longer be dreaded days. With the advent of electricity the majority of household tasks can be motorized and the turn of a switch can be made to replace hours of hard labor. Household machinery is adding years to the lives of modern housewives.

Stoves, electric and gas, have been modernized both in looks and operation. A stove may still operate and yet be worn out and obsolete. The result is hours of wasted effort and high operating costs. New stoves offer many advantages both in brightening up the kitchen, in lower operating costs and in their automatic features that make baking so much easier. Many different models and sizes are available within a wide range of prices. Water heaters, electric and gas, provide a constant supply of hot water for every use. The thorough housewife depends on really hot water for many of her tasks. No longer is the boiler on the back of the stove her source of supply for she need merely turn on the heater—then the tap.

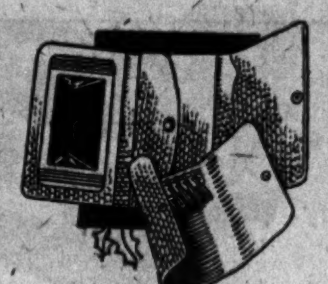
For Appetizing Salads

Automatic refrigeration has brought new menus to many homes. Gas and electric refrigeration keeps foods fresh longer; styled cabinets make for pride of possession. Few housewives there are that do not covet this piece of equipment that is almost essential in the making of many desserts and salads. Turning from cold to hot, oil burners heat homes with a minimum of trouble and no work, keep temperatures even and make for healthier homes.

Electric washers and ironers and gas-heated driers have taken much of the heavy work out of washing and ironing day. House cleaning is made relatively easy with electric vacuum cleaners and floor polishers. The small hand model vacuum cleaners are easily transported and do many tasks from cleaning cushions to cleaning out the automobile.

All these pieces of equipment can be made to pay dividends in health and pleasure. From the standpoint of the amount of labor saved their cost is moderate. Instalment purchase agreements make their acquisition feasible for most homes.

For the Young Man



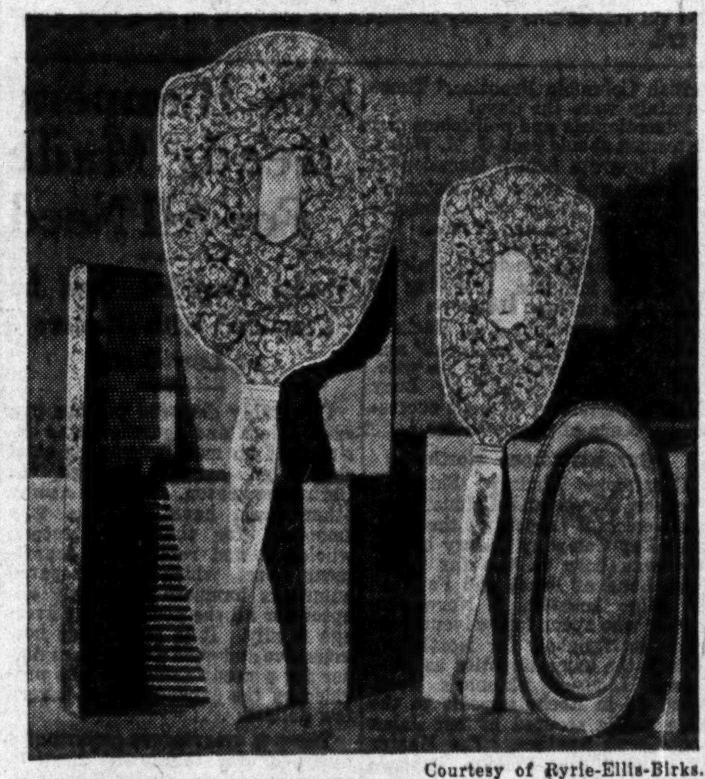
Courtesy of Simpsons.

Bill folds, card cases and key containers are useful, lasting gifts.

Coast Lumber Exports Hold

Export lumber shipments from British Columbia in September showed a slight decrease from those of August when a record capacity of 69,388,054 board feet was shipped, September figures were 61,173,609 board feet. Total shipments for the first nine months of 1933, however, are nearly 40 per cent higher than those for the same period in 1932. They exceeded by about 50,000,000 feet the total for that year.

Gift of Beautiful Reflections



Courtesy of Ryrie-Ellis-Birks.

Delicate as rare Venetian lace is the decoration of this new set of dresser sterling for my lady's boudoir. The floral scroll engraving is entirely done by hand but made in "open-stock" design is procurable piece by piece if desired.

GIVE BOOKS

The world to-day is vitally interested in these subjects.

- **The Intelligent Man's Review of Europe To-day**
  By G. D. H. Cole and M. I. Cole
  "A quite invaluable work of reference for all those who wish or whose business it is to understand what is happening from day to day or month to month in that dreadful confusion . . . we call 'Europe' "—Clifford Sharp in *News Chronicle*. $1.75.
- **The Intelligent Man's Way to Prevent War**
  Edited by Leonard Woolf
  "An exact statement of the principal causes which in our own day menace peace and a guide to the prevention of war."—Sir Arthur Salter in *New Statesman*. $1.50.
- **The Intelligent Man's Guide Through World Chaos**
  By G. D. H. Cole
  "A description and analysis of our whole economic system and of its historical development."—*Journal of the Canadian Bankers' Association.* $1.50.
- **The Coming Struggle for Power**
  By John Strachey
  "A book to be commended to the reactionary and to the radical alike for its exceedingly able analysis of present-day Capitalism."—*Financial Post.* $1.50.
- **Christianity and the Crisis**
  Edited by Dr. Percy Dearmer
  "The plan has been to bring together eminent philosophers, scientists, economists and divines and, with each discussing his own particular sphere, to attempt to reduce to understandable principles our prevailing moral, intellectual and economic confusion."—*Montreal Star.* $1.50.
- **What Everybody Wants to Know About Money**
  By G. D. H. Cole
  "The volume is of intense interest . . . planned not for the student but primarily for the general reader . . . deals critically with many of the more popular schemes for monetary reform."—*Financial Post.* $1.50.
- **Canadian Banking**
  By E. L. Stewart Patterson
  "This volume is probably the most important literary contribution made to Canadian banking in more than a decade. It gives Canadian bankers perhaps the first complete manual of banking and bank practice in this country, and its seventeen chapters are devoted almost entirely to the structure and practice of Canadian Banking."—*Financial Post.* $4.50.
- **Investment**
  By W. A. McKague, formerly editor of the "Monetary Times"
  "A comprehensive handbook on investments, written from the Canadian point of view . . . written in simple, non-technical language. A careful reading of it will supply the answers to scores of questions which the general reader and the junior in financial institutions ask on making first acquaintance with the subject of investments."—*Journal of the Canadian Bankers' Association.* $5.00.

See these at your bookseller's

THE RYERSON PRESS

Publishers Toronto 2

Electric Aids Do Many Jobs Are Ideal Gifts

Carry Spirit of Christmas Throughout Year in Practical Manner

Christmas is a time of sentiment but there is no reason why gifts exchanged at this time should not be practical. Perhaps no present combines sentiment and use value, and even beauty, to the same degree as do electrical appliances. Appliances that offer so wide a choice in cost and in services rendered, that there is one for almost every pocketbook and for every family. Gifts for beauty to brighten and modernize the home; gifts for service to lighten household tasks and make living more pleasant.

Lamps there are for every room in the house and for every use. For decoration, for comfort and for health there is a wide selection available with even a greater profusion of shades which can even make old lamps look new. Lamps bring cheer and atmosphere to the home; they endow shadowy corners with a cosy glow and take the eyestrain out of reading. New designs lend novelty whether it be in indirect lighting fixtures or night lamps for the nursery. Electric clocks, too, have a wide variety of uses and can be found to suit every room in the house. From the grandfather clock in the hall to the simple kitchen model these modern timepieces are designed for smartness as well as utility.

Silent, Efficient Servants

Then, there are the electric servants that can silently and efficiently perform a multitude of duties in every modern home. It is possible to cook an entire meal on the dining room table without delay, thanks to the electrification of coffee percolators, toasters, grills, waffle irons and egg boilers. Perpetually shining, these adjuncts of the modern housewife can grace any table and can speed the preparation of any meal whether it be breakfast or mid-night snack.

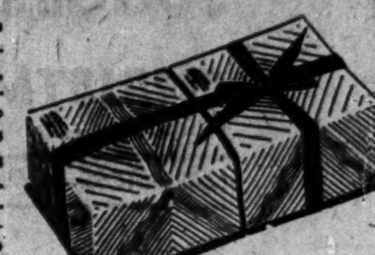
Out of sight in the kitchen or butler's pantry is room for other electrically operated tools that ease the heavier work of cooking and cleaning. Electric irons are among the oldest of electrical appliances and latest models offer many improvements. Replacements may be in order. Electric mixing machines speed many a kitchen task. Such machines can be obtained that can be used for stirring batters, grinding meat, beating eggs, mixing ingredients of different kinds; extracting juice from oranges and lemons and even paring vegetables and sharpening knives. These are all mechanical aids that speed up kitchen production.

Other electrical devices, such as warming pads, soothe the sick; small immersion heaters make hot water readily available; electric heaters can be used to warm the cold spots in any house and electric curling irons are generally appreciated by the fair sex, young and old. Looking ahead to warmer weather, electric fans in all sizes can temper the heat of summer days.

Few homes contain all the various types of electrical appliances, most have room for several more. Modern servants of the home, working at little cost and easing the housewife's labor, electrical appliances are welcomed gifts that carry the sentiment of Christmas throughout the year.

She will be thrilled! — with one of these

ENCHANTE TWIN POWDER SET



Paris inspired them. Helena Rubinstein, the world's supreme authority on beauty, created them. Delighted, indeed, will be the woman who receives these masterpieces in makeup on Christmas morning. Powder of exquisitely fine texture, long-clinging quality. The two universally becoming shades are flattering both for daytime and evening costumes. These two new twin-size editions of Helena Rubinstein's three-dollar Enchante Powder are only $2.50 for both.

VANITY ENSEMBLES

This ensemble will make an enchanting present. All the more appreciated because it is from the famous beauty authority, Helena Rubinstein. Circular double vanity and automatic lipstick in brushed goldtone and green. Vanity contains loose powder and rouge in choice of three famous Helena Rubinstein reds. Lipstick to match. Set $3.50.

TRAVEL BEAUTY KIT—Stunning moire zipper bag containing complete treatment. Indispensable for maintaining the beauty of a flawless skin. $8.00.

EXCISE TAX EXTRA

helena rubinstein

126 BLOOR STREET WEST, TORONTO

Available at all better Drug and Department Stores.

LONDON CHICAGO PARIS DETROIT NEW YORK MONTREAL

At your country house or in town, add the subtle touch of delicacies to Xmas Fare . .

English and Continental Cheese in great variety and fine condition. Choice selection Sardines, Anchovies, Caviare. Smoked Salmon, Pate de Foies Gras, for Hors d'Oeuvres. Choice hams and bacon.

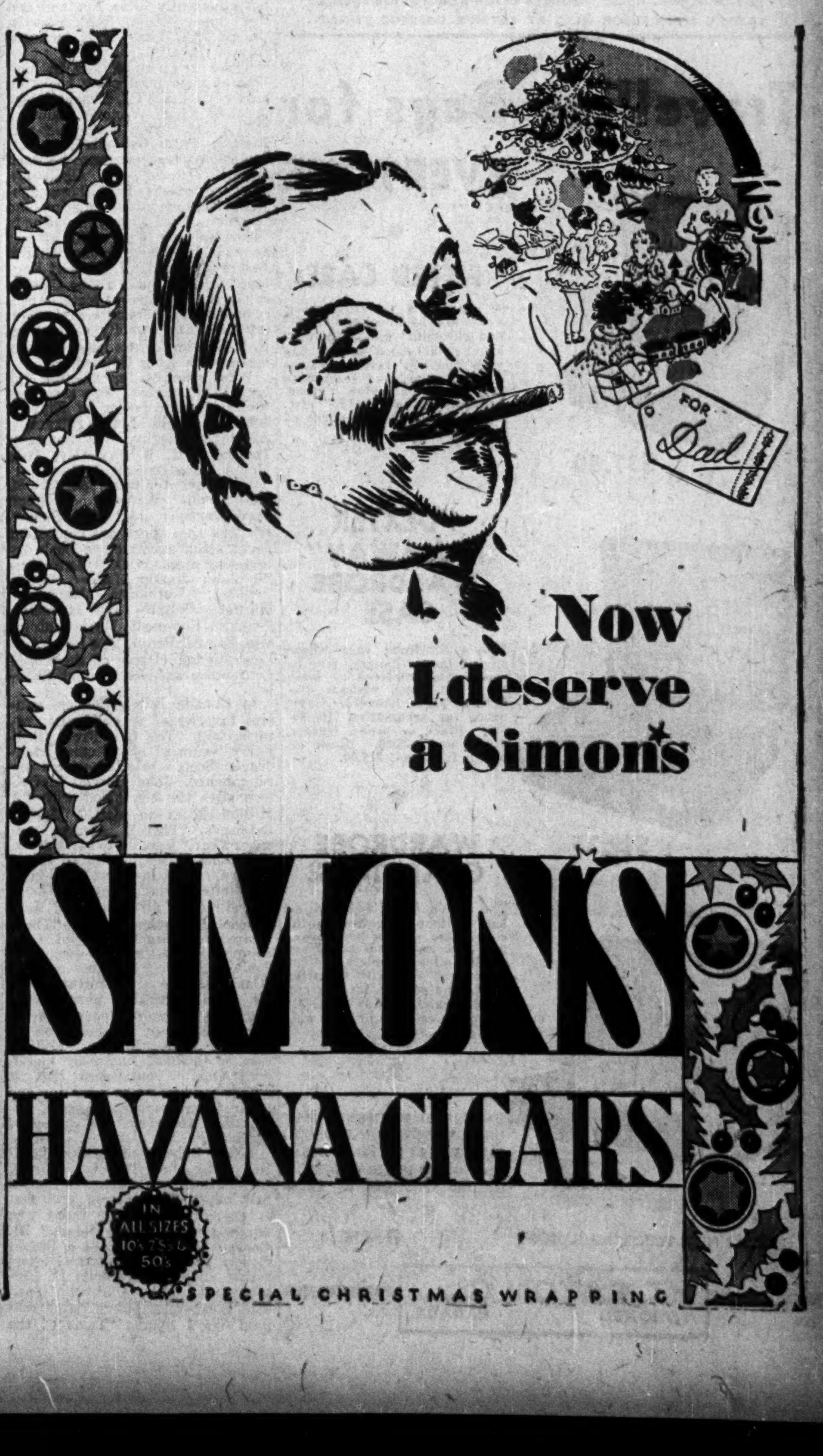
HUNTLEY & PALMER, PEEK FREAN'S, and JACOBS' BISCUITS

CHAS. CHAPMAN & COMPANY, Importers

636 Dorchester St. W. (Gatehouse Bldg.) Montreal LA. 6705

Halifax Port Busier

Cargo handlings over the Harbor Commission wharves at Halifax show an increase of 126,979 tons for the first ten months of this year, the respective figures being 662,646 tons from January 1 to October 27 this season, compared with 535,667 tons for the same period last year. The correspondent total for 1931 was 543,035 tons. Imports this season amount to 286,961 tons and exports to 375,685 tons.



EATON'S
SUGGESTS THESE CHRISTMAS GIFTS

MAIN STORE—ALSO EATON'S-COLLEGE ST.

Personal Electric RADIOS

$56.50

All are modern efficient superheterodynes with electro-dynamic speakers—new type tubes—and tone control.

SPARTON

De luxe table model of unique design, easy to carry about. 5 tube model with automatic volume control and three-point tone control. Size 14¾ by 12½ by 6½ deep. D. P. Price, $56.50.

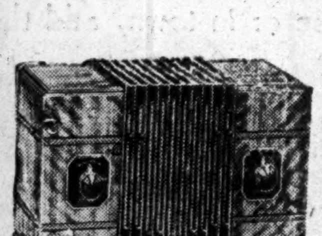
Deposit $5.65 and 10 monthly payments of $5.09.

$37.50

PHILCO

The "Compact," a 4 tube model with cabinet of butt walnut veneer with black inlay. Size 12" by 9" by 7" deep. D. P. Price, $37.50.

Deposit $3.75 and 10 monthly payments of $3.38.



$49.50

ROGERS

Smartly modern in design, this new 5 tube personal radio. Automatic volume control and tone control. Size 8½" by 12" by 5½" deep. D. P. Price, $49.50.

Deposit $4.95 and 10 monthly payments of $4.46.

$79.50

DE FOREST CROSLEY

"Tudor" table model with maple and walnut veneer cabinet of classic simplicity. 7 tube dual wave, automatic volume control. Size 16" by 10" by 8¼" deep. D. P. Price, $79.50.

Deposit $7.95 and 10 monthly payments of $7.16.

D. P. Price means that all charges are included. There is nothing to be added to this price for deferred payment.

Deferred Payment terms quoted, are for Toronto Delivery Area only.

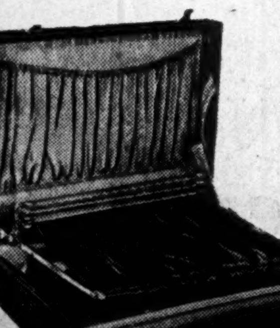
OUT-OF-TOWN ORDERS, ADDRESS EATON'S SHOPPING SERVICE
EATON'S FIFTH FLOOR—ALSO AT EATON'S, COLLEGE STREET

Travelling Bags for EVERYONE

$37.50

FITTED CASE

A gem of a travelling case. Toilet articles in colored enamel and chromium plate. Includes also, rubber-lined sponge bag with hookless fastener. Case covered in colored leather to match fittings—blue, green, brown or black. In 15" size. Complete with outer cover of beige corduroy, $37.50.



$19.75

"DEXTER PAKAWAY" WARDROBE CASE

Lady's wardrobe case where any of Dexter hangers may be removed or replaced by mere touch on clasp, without disturbing other hangers. Ample space for accessories. In 20" size. Black or brown leather, $19.75 and $25.00. Black or brown fabricoid, $12.50.

$19.75

WARDROBE GLADSTONE

The man's favorite travelling bag, built on wardrobe principle. One section has hanger for coat and trousers. Other section allows ample space for underwear, etc., with folds for shirts and pockets for ties and handkerchiefs. In 24" size. Of top grain cowhide in baby walrus grain, $19.75.

DEFERRED PAYMENTS MAY BE ARRANGED ON TRAVELLING BAGS PRICED AT $15.00 AND OVER IF INCLUDED IN ORDER TOTALLING $25.00

EATON'S FIFTH FLOOR, MAIN STORE

THE T. EATON CO LIMITED TORONTO CANADA

Santa Claus Reigns Supreme

Important, Significant Books to Buy

Great Men Publish Intimate Chronicles of World Events

VARIED LISTS

Unusually Fine Selections of Tales, Poems, Biographies, Histories, Essays and Books About Books

In this Christmas season there are offering many significant books which should have and will have a permanent place on the shelves of most English-reading book-lovers who can afford them. They are of such definitely good value that a recipient indifferent to such gifts would mark himself as having many darkened windows in his mind. There are history and biography stranger than fiction, fiction more realistic than facts and urgent voices speaking glamorously, excitingly or illuminatingly on science, religion, art, nature study, travel, politics, economics, industry, the world that is and the world that is to be.

Of the millions of people who have a poignant interest in the over-shadowing event of the 20th century so far, that is, The Great War, what man or woman really interested in the military, historical or diplomatic incidents of that war can fail to read Lloyd George's "War Memoirs" without feeling that he is losing a great spectacle by not looking at those great events through the windows of the mind of the little Welshman who was the greatest civil figure in the war?

The Great Marlborough

Who that has been fascinated in the past by what he has read of the campaigns and affairs of one of England's greatest military geniuses can fail to be attracted by the fact that his descendant Winston Churchill, has recreated him in all his ancient glory in a book, "Marlborough: His Life and Times," that is a tilting ground where Churchill takes on all comers, including the great Macaulay, who dare say a word against his hero. But anyone reading Winston Churchill's book can prolong his delight and interest by going back to the fourth volume of Macaulay's history, reading his vivid pages on Marlborough and then back again to Winston and his documented defence. Marlborough, the man, the military genius and the diplomat would alike be unbelievable as fiction.

Lloyd George and Churchill have each the heat of battle about their books. They were partisans. In Andre Maurois' "The Edwardian Era," that interesting time passes in review before a Gallic mind, brilliant, of proven rapier wit, ironic, detached, subtle. His worship of Shelley in "Ariel" shows what he is prepared to admire in the British scene. He dwells on the gay, the glittering, the pleasant aspects of British life, sees the quaint, the bizarre, and the absurd but apparently loves England and the upper class English even though he loves and admires France more.

These are only a few in long lists of most interesting books on eras of Henry VIII, Elizabeth, the Jacobite Kings, Victoria, Edward, the Great War and Post-war Britain. Philip Guedalla has a new book with correspondence between Queen Victoria and Gladstone, whose relations have been subjected to tons of speculation and comment. Lord Ernest Hamilton in "The Halcyon Era" will attract lovers of his earlier books. Hilaire Belloc in "Charles I, King of England" tries to make a new Charles in the face of current historic prejudices and his results are entertaining if not wholly convincing. E. F. Benson follows his other successes with King Edward VII.

What chances for feasting the book lists suggest. One sees that there are new books by Kipling, John Masefield. Lytton Strachey, John Galsworthy, W. Somerset Maugham, J. B. Priestley, Wm. McFee. John Buchan, Jeffery Farnol, Hugh Walpole, A. S. M. Hutchinson, Warwick Deeping, Lord Dunsany, and Walt Disney. He sees that there are competent books about such tremendously interesting people as D. H. Lawrence, Sir John Martin Harvey, Henry Fielding, Katharine Mansfield, Margot Asquith (by herself), Franklin Roosevelt, Marie Antoinette, Samuel Pepys, The Rossetti's, Lord Riddell (Diary of the Peace Conference and After) and Rabelais.

In Canada Ralph Connor, general favorite of pre-war days. returns with "The Girl From Glengarry," sure of a welcome. Archdeacon Scott's selected poems are republished. John Herries McCulloch stirs the sea blood with "A Million Miles in Sail." Martha Ostenso's "There's Always Another Year," lives up to early fame. Katherine Hale's illustrated "Canadian Cities of Romance" will have a definite appeal. Lloyd C. Douglas will draw all who like "Magnificent Obsession" to his "Those Disturbing Miracles." That Canadian gipsy of the high seas, Gordon Sinclair, has good red meat in "Cannibal Quest," garnished with his own picturesque phraseology. There are more poems from Arthur Stringer, another book by William Arthur Deacon, "My Vision of Canada," intensely individual and so outspoken that it stands readers up in rows for and against statements, opinions, aspirations voiced in the course of the book.

Leslie Roberts produces a political satire, "So This is Ottawa." Laura Goodman Salverson has a new novel, "The Dove," and that is enough to say for those who admired "The Viking Heart." Dr. George E. Wilson gives a life of Robert Baldwin, important, interesting and needed. John D. Higginbotham tells us about "When The West Was Young" and William Ward Spinks "Tales of the British Columbia Frontier." Those certainly were the days!

Educationists and politicians and statesmen should read G. M. Weir's "The Separate School Question in Canada," and there is historical romance in Percy J. Robinson's "Toronto During the French Regime" and Alfred I. Burt's "The Old Province of Quebec." Unique, unofficial, intimate, revealing is "No. 4 Canadian Hospital: The Letters of Professor J. J. Mackenzie From the Salonika Front" and it includes a memoir by his wife. "Pat of Silver Bush" by Lucy Maud Montgomery is a fit successor to "Anne of Green Gables."

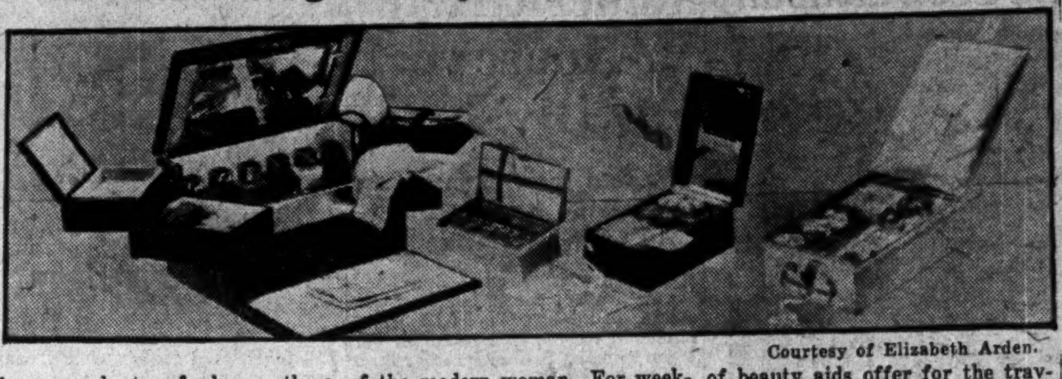
Our Glamorous North

Constance Lindsay Skinner's "Beaver, Kings and Cabins" presents colorful aspects of the Hudson's Bay Company history by one who was born in the fur trade. "The Land of Feast and Famine" by Hilge Ingstad, a Norwegian lawyer who spent four adventurous years in Canada's far North will satisfy the same appetite as Constance Lindsay Skinner's book. Mazo de la Roche appeals to the wide public secured by her Jalna books with another, "The Master of Jalna." Dr. Pelham Edgar's "The Art of the Novel," is the ripe fruit of a lifetime's passionate devotion to literature as Professor of English at Victoria College, Toronto.

Poetry has astonishing additions in the new list. Robinson Jeffers new book, "Give Your Heart to the Hawks," has one poem, "At the Fall of an Age," which Pelham Edgar says has such merit "as does not come once in a generation." Edward Arlington Robinson's "Talifer" is offered in the new list and many lesser books of poems.

Novels of monumental size feature the list. Certainly "Anthony Adverse" by Hervey Allen has a real competitor in John Cowper Powys's "A Glastonbury Romance." Both are books of power and warranted to keep anyone who undertakes to read every word out of mischief for a long time.

Fascinating Beauty Aids Attract My Lady



Courtesy of Elizabeth Arden.

Treasure chests of charm, these beauty boxes contain all the preparations so essential to the toilette of the modern woman. For week-end trips and for longer journeys these compactly fitted assortments of beauty aids offer for the traveller all that is necessary to refresh her loveliness.

Sport Togs Please

Courtesy of John Northway & Son.

Crisp winds and sparkling snow add to the pleasure of skiing as will this ski suit of fine quality blanket cloth available in navy blue, green or red.

Fine Hampers Ready Made For All Need

Needy Families Can be Provided With Dinners at Low Cost

Charitably disposed persons and associations and churches, who desire that no man, woman or child should go hungry through the Christmas season, or indeed at any other time, have had the way smoothed for them by grocers, wholesale and retail, and department stores, which have prepared numerous hampers admirably adapted for all the needs of the average family. It is marvellous how extensive and good a Christmas dinner for a needy family can be provided by the expenditure of a very few dollars.

There is tremendous opportunity this year for those who have in abundance to share with those who are temporarily lacking necessities. John D. Rockefeller in his autobiography, published about 20 years ago, expressed the view, as a result of his own experience and the study of many other wealthy men, that there was only one way in which they could secure a real equivalent for money spent and that was to cultivate a taste for giving, for the money would produce an effect which would be a lasting gratification. He did not mean the outright giving of money but it must not be overlooked that in such a time as this even that has its place.

Mr. Rockefeller was most struck by the fact that the very poor are probably the most generous folk in the world and that the most princely gift of super-abundance looks insignificant beside what poor people do for each other

Dressing Gowns for Warmth and Comfort

Courtesy of John Northway & Son.

Chill mornings make the dressing gown doubly appreciated. Bedroom slippers, too, are important. No reason why the style factor should be overlooked either.

Established 1859

W. SCOTT & SONS

Exhibition of Water Colours

By PAUL CARON

Now on View

1490 DRUMMOND ST. Tel. HA. 8525 MONTREAL

Former Ages Contribute To '33 Xmas

Modern Motive is to Maintain Best Past Masters Created

Home is not all home should or can be if Pater and Mater have not tried to exercise their combined wisdom and vision in the selection of objects of permanent and enduring beauty to set here and there in drawing room, hall, bedroom, dining room and library.

The home should embody the best results which modern civilization has attained. That means not only the new and original concepts and inventions but the preservation as well of the best and most beautiful designs of former ages in furniture, old rugs, tapestries, silverware, chinaware, paintings and statuary. Everyone cannot buy Old Masters, but nearly everyone will find it the best economy in the end, and the one bringing the greatest continual pleasure to mind and sense, to buy at least reproductions in enduring materials of works where forms of beauty have been created of the highest craftsmanship.

Those who are most completely and soundly modern have not lost grip with the good of past ages. The lucky are those who own a Chippendale cabinet, anything at all designed by Adam, a Wedgwood vase, or Paul de Lamiere silverware, because he was the first of the great silversmiths. In 2031 these things may be still more cherished than now, because the best surviving works of the Charles, Queen Anne and Georgian periods get more appreciation at present than they did in the reigns where they originated.

The most prized possessions of civilized people today have been things which have lasted down through the ages and especially creations of arresting interest or beauty.

Where people cannot afford originals, and that includes most of us, good craftsmen today are able to give excellent reproductions and in many cases, building on this solid foundation, to do meritorious and original work of their own.

LONGINES

"Observatory Watches—Standard of the World"

More Geneva Observatory records for fine time-keeping have been won by Longines than by any other maker of fine watches. That is one reason men who receive a Longines for Christmas experience an extra thrill of pleasure. These superb watches are sold in Toronto exclusively by Birks-Ellis-Ryrie.

LEFT—In the modern manner is the new index dial with gilt hands and figures. The smart case is yellow gold-filled $70

RIGHT—The attractive 18 kt. white gold case is in the new guard shape to protect the winding crown. For a really important gift $100

Strap watches by Longines, $40 to $140
Pocket watches, $30 to $200

Gifts from Birks-Ellis-Ryrie make Christmas happier.

Birks Ellis Ryrie

Add to your Christmas funds . . . we buy old gold in any form.

Store Hours—9 a.m. to 6 p.m. *Shopping Service, Adel. 9001*

LINGERIE

—the perfect gift for "Her"

A private room for men at our shop at 234 Yonge Street enables you to come personally to exercise your own judgment in the selection of the most intimate items of ladies' apparel. Such a gift is practical and at the same time so beautiful as to give the utmost pleasure to women.

Here in this room set aside entirely for men you may make your selections with the same feeling of comfort and freedom as in your pet men's shop. Just as easily too, as there is an expert gift shopper on hand to pass along helpful hints.

Every gift attractively boxed and if you wish, suitably wrapped with your card enclosed.

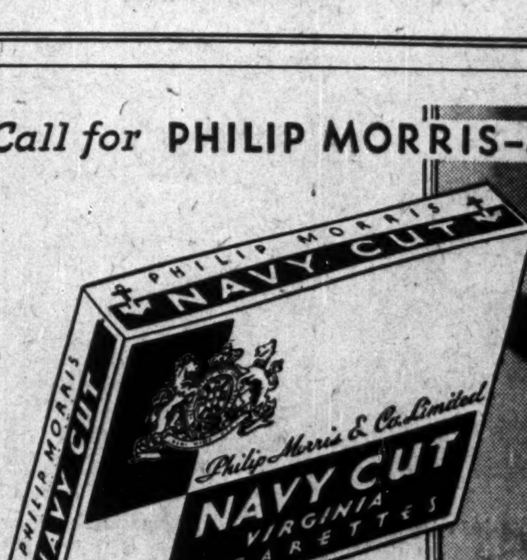
Solve your gift problems with D'Allaird's LINGERIE and SHEER SILK HOSIERY.

D'Allaird's

234 Yonge Street
Toronto

Men's Private Room
Downstairs

Call for **PHILIP MORRIS**—*accept no substitute*



STRANGE thing—but I bought my first Philip Morris Navy Cuts because my wife was so taken with the royal blue and gold package she asked me to try them.

I'm glad she did too because they have just what I've been looking for in a Cigarette.

They're mild and cool—always fresh—and suit my taste to a T.

And best of all—I don't have to pay any more for them than other Cigarettes.

P20

PREMIUM CARDS IN EVERY PACKAGE 10 FOR 10¢ 25 FOR 25¢

Have you read...

Peter Fleming's
Brazilian Adventure

Humour, not adventure, is the dominating note of this rollicking book, although narrow escapes and audacious escapades in the wilds of South America make excellent background for the laughter. Illustrated. $3.75.

Harold J. Laski's
Democracy in Crisis

A detailed analysis of the difficulties of revolution, the drift toward dictatorship, the decline of freedom, and the problem of maintaining discipline in a democracy. $2.50.

C. Delisle Burns'
Leisure in the Modern World

A description of certain social changes which have caused the "new" leisure and of the far more important results of this leisure. $2.75.

Mary Adams'
The Modern State

This book is arranged in three parts, "Can Democracy Survive?" "Social Institutions" and "World Government." Among the contributors are, Leonard Woolf, Lord Eustace Percy, Mrs. Sidney Webb, Professor W. G. S. Adams and Sir Arthur Salter. $2.50.

Grace E. Thompson's
Panorama — with Music
1774-1932

Light, amusing and convincing. A novel depicting social life in England for one hundred and fifty years. Illustrated. $2.50.

From All Booksellers

Thomas Nelson & Sons
LIMITED
TORONTO

Low Cost Gifts

Novelty, Color, Utility Qualities in Lower Price Ranges

Just as children can often get more actual enjoyment from toys of the "five and ten cent" variety than from expensive imported toys that are "too good to play with," grown-ups can often get more pleasure from low-priced gifts that have been intelligently selected than from high-cost gifts that are not practical. And there is a much wider selection of gifts selling under $2 or $3 than there is in the higher cost brackets.

Color and novelty are big factors to consider in selecting any gift and when these are combined with utility little more can be asked in many cases. Gadgets for the housewife there are in great profusion in bright enamel and shining metal. Tools for the handy-man, for the growing boy, can add delight to mechanical avocations. Smokers' sundries, too, are available in wide variety.

Because a gadget is designed for some common task should not demean it as a gift. Manufacturers are continually improving design and style. The Christmas display of new items, of old items made new, should be a fertile field for gift suggestions.

Bank Accounts

Ideal Present for Children That Can be Added to Each Year; Encourage Thrift

One of the most practical of gifts at Christmas is the presentation of a new bank book which represents the deposit of any sum of money large or small. Particularly is this true when the gift is made to a child with the account "in trust." Not only does the possession of a bank account serve to inculcate thrift in the child but the donor can make annual contributions to the fund which may be of real importance by the time the child, grown up, is ready for university or the business world.

It is the bank account that makes possible Christmas giving. Reserve funds stored up throughout the year are drawn upon on gala occasions and are a very present source of comfort in times of need. With the New Year just ahead many may wish to make a gift to themselves by turning over a new leaf and making regular deposits in their bank account that will come in handy next Christmas.

Good Cheer Should End the Year

Music Boxes Rank Near Top Shopping List

Radio and Gramophone Bring Satisfaction to Recipient

FIT EVERY PURSE

Manufacturers Now Provide Public With Variety of Sizes and Styles

Once upon a time it was thought that no home was complete without a piano. It was a matter of family pride to have the daughter of the house sit down before the assembled guests and rap off Opus 22 of Sonata X X by Chinhauser for their delectation. This was a sign of culture and everyone agreed that "Jane was an amazingly good player considering the short time she had been taking lessons." Nowadays the daughter of the house has the itching foot and the guests are entertained through the medium of the phonograph or radio by the music of a world famous artist, or the latest jazz band, play or bit of news. The piano still brings pleasure to many thousands of homes, but the hurried tempo of modern life demands the best in music and art at a moment's notice and the radio and gramophone have come to be an integral part of home life.

But the radio and the gramophone are constantly changing. New improvements are incorporated, styles are changed and when the man of the house goes Christmas shopping for a radio or gramophone he has not only to be an engineer (first class) but a musician, acoustic expert and familiar with styles.

Changes are Frequent

It is only a few years since a radio was simply a radio. To listen to a New York broadcast direct was something of an achievement. If you heard Chicago or some of the other Western stations, you spent the next morning telling your friends in the office what a wonderful radio you had. Research work has brought about many amazing changes. The problem of cutting out the local station was overcome and it was no longer an achievement to get a station 500 or 1,000 miles away.

The radio threatened to become commonplace, even though many refinements were added. But the research worker had not finished his task. Short wave sets began to appear. Now it is possible to hear police calls, "ham" operators, ship operators talking with their home port; in fact, a whole new world of interest was opened up to the radio enthusiast.

Selection is Varied

Radio manufacturers today offer to the Christmas buyer a wide variety of instruments. There is the regular set covering the broadcasting bands, with its tone control, volume, selectivity and distance-getting ability. One can have a short wave set, or there is the all-wave set for the enthusiast who wants to listen to the regular broadcasting and police calls and other interesting items on the short waves. Or if this is not sufficient, then you can get a combination radio and gramophone so that you can have entertainment at any time and irrespective of atmospheric conditions.

Fit the Pocket

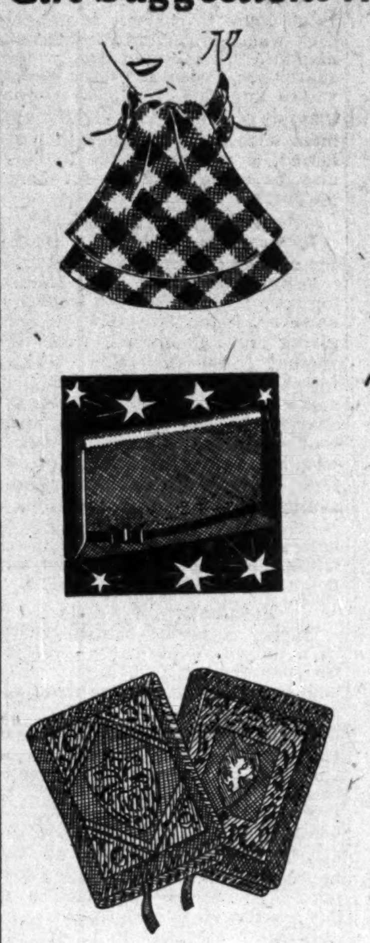
The main types are many and so are the styles and sizes. The modernistic designed radio has been made to fit into the modern apartment. There are Sheraton, Adams and half a dozen other recognized styles. You can buy a radio in size that will fit your pocket or it can be the largest piece of furniture in your living room. The old ugly black box, with its series of dials and switches on the front panel and the wet battery on the floor, are a thing of the past where electricity is to be had. The radio of today is unobtrusive and part of the household equipment.

Gramophone Holds Place

Though the radio has come to the fore as an instrument of entertainment for the home, the gramophone retains many adherents. It, too, has undergone many changes for the better. Tone, volume, style, and reproduction qualities have all been improved. While admittedly the gramophone has not the variety of interest of the radio, still it has advantages. Through the new electrical method its transcription qualities are unexcelled, even by the costliest of radios. It provides entertainment wherever and whenever wanted. It brings to the hearer the best of the world's classical and jazz music by the greatest of musicians and orchestras at any time of the day or night. It enables one to study and build up a knowledge of music and singing that cannot be equalled by any other means.

For these reasons the gramophone ranks high with the radio in the Christmas shopping list. Both bring pleasure to the home at a relatively low cost.

Gift Suggestions from which a Busy Man May Choose



Courtesy of Simpsons.

The pensive lady suggests that gloves are always in order but possibly she would rather choose her own millinery. A scarf for windy weather and warm, furry overshoes for wet or snowy pavements are really essential. Purses and handbags for shopping are never amiss. Book covers with gay designs are decorative as well as protective. Bedroom slippers remove the chill from cold floors.

Wire and Cable

Communication Concerns Prepare and Despatch Messages

The problem of what to do about the Christmas greeting received from the friend whom you have forgotten or the friend who has been overlooked until the day before Christmas, has been solved by the communication companies. For several years the telegraph, cable and telephone companies have operated an elaborate service to take care of the Christmas and New Year's peak rush of business. Through their experience they have eliminated delays until now their slogan is "it's never too late to send a message by telegraph or telephone."

Last minute rushes often leave one devoid of ideas, especially when it comes to inscribing a suitable message for the forgotten friend or mother-in-law. The telegraph companies have got around this stumbling block by standardizing messages for those who have not the time or feel incapable of drawing up a cheery Christmas or New Year's greeting. All one has to do is to walk into the nearest telegraph or cable office, pick up the prepared card, and tell the operator to send message No. 8 or 22 to your friend in London, Winnipeg, Vancouver or elsewhere. Perhaps your friend is a Frenchman, German, or Spaniard. If that is the case the telegraph and cable companies have messages in their languages and all one has to do is select the number opposite the message—the company does the rest.

Perhaps a cable or telegraph is not sufficiently personal. In that case the telephone companies come to the rescue. Practically all the telephones in the world are interconnecting and with the development of modern toll traffic facilities it is only a matter of seconds to get in touch with a friend even though he or she be hundreds and even thousands of miles away. It's not the present you give, it is the thought behind it that matters.

Winter Cruises

Travel Agencies Offer Many Bargains to Christmas Shoppers

Winter cruises have been made to fit the pocketbook. Steamship companies and tourist agencies have drawn-up for the 1933-34 season a variety of cruises that meet the needs of the most exacting. They range from the coastwise trip of a week to circumnavigating the globe in leisurely style.

Probably the most popular cruise this year is the type known as the Merry Christmas cruise. They are designed to cover the holiday period from Christmas to New Year's and on that account are limited in sphere but not in interest. Canadian Pacific, Cunard, Canadian National, Furness, Swedish-American-Lines and other companies have drawn up a variety of cruises to Bermuda and the West Indies.

Selections are Unlimited

To those who make Christmas an excuse for getting away from Canada's cold climate to the more pleasant sub-tropic zones, almost every conceivable trip in the most palatial ocean greyhounds is offered by the steamship companies. Trips to the Mediterranean, the Orient, Hawaii, South Seas and the Grand-daddy of them all—Round-the-World—are available.

The travel organizations have not overlooked the fact that incomes are limited these days and the cost of such trips—whether they be short or long—has been reduced accordingly. Some cost so little that it is often cheaper to send the family on a cruise than keep them at home.

Halifax Port Surplus

The Halifax Harbor Commission announces for the first ten months of this year operating revenues of $305,664, operating expenses $241,065—a surplus of $64,599 as compared with surplus of $3,635 for the corresponding period last year, and in 1931 an operating deficit of $59,064.

Music Charms

Courtesy of Heintzman & Co.

Made in the miniature size, this grand piano reflects in perfect manner the seventeenth century period.

Buy Painting Adds Beauty To Home Life

Passion for Pictures Grows and Adds Zest to Living

Art, like science, skips international boundaries. Works of Russian, Scandinavian, English, French, Dutch, Spanish, Italian, German, as well as Canadian, artists are to be obtained in the chief Canadian cities by art lovers.

There must be one word of warning. One who knows what good paintings can do to a home is doomed if once he buys a good picture. He will want more and he will have more to the extent his means permit. He will even sacrifice grosser delights to indulge this one.

It is a pleasant and delightful doom, however. With every new addition to his walls he will find those walls transformed as by a fairy wand. His vision is no longer stopped by wallpaper; in each picture he looks out into far places. As his gaze roves from point to point he may see boats on calm or stormy seas or drawn up on sands beside the sea or lake or he may see horses with sleigh bells tinkling, cantering gaily along winding, snow-covered roads. He may be taken to the tops of mountains, to lakes nestling in valleys, to the stark rocks of the northern lakes or to the scarred desolation of hillsides where forest fires have raged. He may see studies of personalities that have charmed him, of new or old world types, of lovely ladies or of seamed old seamen whose adventures are written in every criss-cross wrinkle on their faces and necks.

The Canadian artist in studies strong, daring and lusty, may be represented. According to taste and size of purse one may buy works of old masters or those who work according to their traditions. One can buy examples of the works of the Group of Seven or of others who have original ways of displaying their idea of reality.

It doesn't matter what is wanted, Canadians can supply it. Sculptors, artists, workers in water colors, dry point and charcoal, workers in tempera have all got their wares on view somewhere. In many cases these works can only be bought in their own studios or on order, but from time to time there are exhibitions which are a delight. There are few artists who have not some of their best and most recent works in a place where they may catch appreciative eyes.

And as to the money needed, most purses can find an outlet. There are etchings that can be had for $10 and sketches, water colors and oils at prices going all the way up to $1,000 and beyond.

Why Not Bonds?

Such Christmas Gifts Provide for Future and Inculcate Good Habit of Saving

Canny and generous at the same time, some wise men every Christmas show the workings of the Christmas spirit by the presentation of high-grade bonds. Available in any denomination, the gift can be accommodated to the purse of the giver and the care that is given to the selection of the proper security will be appreciated as long as the bond is held. Other securities of merit serve the same purpose.

A definite programme of giving bonds as a gift at Christmas is followed by many business men. This is an ideal way to provide for the future educational requirements of children, for building up a travel fund to start the habit of saving or for any other purpose. One business man follows a policy of giving each of his children a $500 bond every Christmas, stipulating only that the principal shall be kept intact until the child is 21 years old. The same policy can be followed as well with $100 bonds as in bonds of larger denomination.

What Gifts Are Fittest For Frontier?

Airplanes Bring Far-flung Camps Within Santa's Reach

Many who spend a comfortable and happy Christmas beside the family fireside will spare a shiver or two for any relative, friend or acquaintance he knows to be spending the day in a shack or tent amid the snows of some northern frontier of Canada. It may be that the intrepid pioneer is a mining engineer, student or prospector trying to open up the wealth of new areas or an explorer with far other aims and duties. Whatever or whoever he may be, the problem of sending him a Christmas present has been hitherto the most knotty problem of all, but need no longer be.

Can Send Even Now

It is not too late even now to despatch gifts to most of these new frontiers. Gone are the days when mail to northern outposts had to be mailed on New Year's day to reach its destination by the next Christmas. Airplanes fly on regular schedules across Canada's hinterland and it is possible to effect quick delivery of tardy gifts.

The nature of these gifts needs thought because nomadic mining men cannot tote unnecessary equipment over the trails. First consideration must be given to weight and utility.

Yet gifts other than food, drinks or tobacco should be durable and sufficiently useful and beautiful to cause a pride in possession even on a long portage. Duplication of equipment should be avoided except in the replacement of essential supplies. Delicacies that may be eaten or imbibed help to increase Christmas cheer and have the added virtue of not increasing the carrying problem.

In the equipment line a silver flask that can stand rough usage is always prized even when empty. And so is a cigarette case, a pipe or other smokers' equippage. If the explorer is fond of hunting and fishing, a knife, rifle, shot gun or rod will delight him to the soul. Needed instruments he has not got always hit the bull's-eye. A compass is generally part of a frontier kit but a better compass will always be welcomed. An aneroid barometer adds but little weight and is not only useful in foretelling approaching weather but also in estimating elevations.

Electrical Gifts Please

If the frontiersmen be established in permanent quarters for the winter the selection of gifts becomes simplified. Warm wearing apparel presents an endless field for selection of acceptable gifts. Books, possibly some new scientific works are coveted by the studious one for reading on long winter evenings.

A portable radio, if it be a good one, gives entertainment and is a source of news where other forms of communication are lacking. It may be that electric power is available. Although we may think of mines in the making as being remote from civilization, electric power is often used so that in such cases the whole line of electric appurtenances can be used and presents no greater problem than selection for one residing in an urban centre.

Are you looking for *Ideas* for Christmas gifts?

Elizabeth Arden has hundreds of them!

PERFUMES...Elizabeth Arden's fragrances are famous for their lingering allure. This Christmas there are two new fragrances, thus adding Moon Moss and Tuberose to the celebrated four...L'Amour, L'Elan, La Joie, Le Rêve. Atomizer included. $8.25 to $125

ARDENETTE TRIO...This is such a lavish gift for its size and price! The Ardenette compact in its new costume colors, with matching lipstick and a small bottle of Elizabeth Arden perfume! $9.75

ARDENETTE DUET...In this duet there is perfect harmony. Ardenette compact with matching lipstick in costume colors. With single compact, $5.50; double compact $7.00

TWIN PERFUMES...Pair off any two of the four fragrances, L'Amour, L'Elan, La Joie and Le Rêve, and you have a delightful gift. $5.50. This year Miss Arden has parted the formerly inseparable twins, so that you can have the smallest size alone. $2.75

LIPSTICK ENSEMBLE...If she is *au courant* you know she changes her lipstick to harmonize with her costumes. Here are six lipsticks in six perfect shades. $8.25 Individual lipsticks, eight shades $1.50

● *Courteous, intelligent attendants at Elizabeth Arden counters will be glad to assist you in your gift selections. They can suggest many happy inspirations in your search for gifts of exceptional loveliness.*

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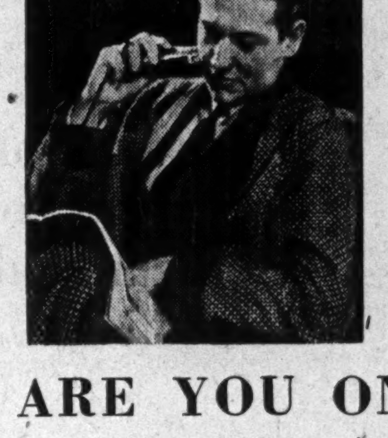


NOW—

You Can Shave Without Bother, Lather or Expense

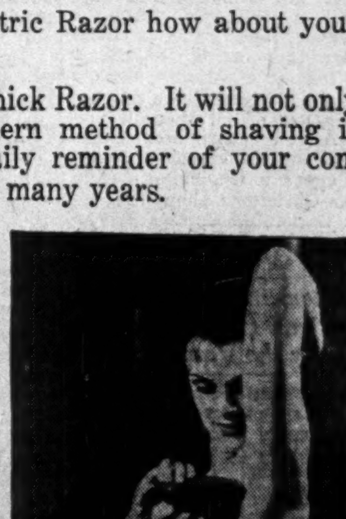
ARE YOU ONE OF THOSE MEN

who have heard of one minute shaves and yet never experienced one? Literally it is now possible to shave in a minute with a Schick.

If you have adopted this New Modern Electric Razor how about your friends?

Let your gift to men this Christmas be a Schick Razor. It will not only be appreciated the moment this new modern method of shaving is experienced, but will act as a constant daily reminder of your constructive generosity and thoughtfulness for many years.

The cost is real economy as the first cost is the last—no blades—no soap—no lotion—no waste time.



Good for Wife or Sister Too

The Schick Dry Shaver easily and quickly removes superfluous hair. It cannot cut nor injure. Its action is so gentle that it allows the skin to remain natural with no enlarging of the pores nor darkening of the color of the hair.

Procurable at

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SCHICK DRY SHAVER of Canada, Limited
WESTMOUNT, - - QUE.

Hours of Fun with Texcraft

—the Ideal Christmas Gift

Parents! Here is real artistic training for your children — and such good fun. TEXCRAFT is not just "another drawing set." It is something entirely new. In it are included delightful sketches of circus clowns, of Cinderella, Dutch Girl, Cowboy, Mexican Boy, Little Bo-Peep, Interior scenes, Windmills, Japanese Girl, Indian Boy, etc., etc., — 24 of these.

Ten big colored crayons enable any boy or girl with the aid of TEXCRAFT pattern cards, to color the costumes of the various characters, try their hands at interior decorating; paint landscapes — there is practically no limit to TEXCRAFT'S use.

Colors Leap Like Magic at the Crayon's Touch

On the right is sketched a TEXCRAFT design with pattern card beneath on which a child is bringing out the pattern in the girl's dress—these colors literally leap to life at the crayon's touch. Children master TEXCRAFT in minutes yet never tire of it. TEXCRAFT comes in a strong box, 16" x 12½" with a richly colored cover. It makes an ideal Christmas gift. See TEXCRAFT at your local stores but, if unable to locate it, write for name of nearest dealer or, enclose a money order for $1.15 and a set will be mailed, post paid to any address in Canada.

Manufactured exclusively for the British Empire by

TEXCRAFT
481 University Ave., Toronto, Canada

Christmas Gifts Spread Happiness, Hope

Men Who Buy For Madame Find It Easy

Experienced Guides Let Him See for Himself All Clothes

Private rooms are now provided by the most up-to-date shops for men who desire to buy women's apparel. Men can make their choice in rooms where they can take their time and can see the desired goods to advantage.

A man, The Financial Post is informed, is a most careful buyer of things for women. Where a woman knows exactly the size and the material she desires a man has to go by feel, texture, appearance. A woman will buy what she wants in a minute but a man, knowing his ignorance, will ask to have the silk stocking fully displayed and he wants to see any other garment he buys extended in a way that will enable him to get some idea of what it will look like when on the form of the lady or ladies of his household.

The Buck Passer

Other men know that, however careful they may be, they cannot hope to choose just the exact individual shade or texture which their ladies, though ladies of taste, will want. Even ladies of taste differ in their preferences greatly. One man of our acquaintance solves the question thus: he orders 50 pairs of silk stockings, knowing that no lady will want or need so many at one time and that the stockings will be exchanged for a number of other needed articles. He buys anything at all as well in chinaware so long as it costs what he intends to spend and is worth the money, knowing that the ladies of his acquaintance will change for what they most desire. In fact, he lets them know his system so that they will not feel in honor bound to wear what he chooses or display other presents.

Seeking Living Model

Still another man coasts through a sea of dresses until he sees an attendant of much the same shape, height and appearance as his wife and he has her buy what she would buy for herself if she were given carte blanche. One company with shops in every important Canadian city, however, believes in giving a man expert help. They aim at a result whereby the woman receiving a present so chosen by a man will have the highest regard for his taste even if the choice does not exactly suit her. The percentage of bull's-eyes in such buying, we are told, is very high, however.

Silk stockings, undies, gorgeous corsets and brassières, negligées, sports dresses, fur coats and all imaginable things that Madame may wear the round of the clock are included in such purchases, and not only the round of the clock but the round of the year. Summer clothing is even bought for Christmas for ladies who are going South or to the Islands of the South Pacific or to any island of the Atlantic from Bermuda to British Guiana.

Far from the Cave

Modern Social Life Reaches Zenith in Table Appointments

Nothing gladdens a housewife's heart more than a gift of needed and beautiful cutlery. Her apogee is the hour when she presides over an excellently appointed table and the hum of conversation rises happily as guests, unconsciously responding to the honor conferred upon them by cutlery that is a pleasure to see and to handle, find an added zest in the viands and desserts.

This is not a fanciful picture. It is inherent in the history of the race. The table declares how far from savage gnawing around a cave fire civilized man has gone. With some cutlery and tableware the cave does not seem far away but when all is whiteness, gleaming, soft shades, and such exquisite tableware that eating becomes a rite as well as a pleasure, the old savage, the old cave, the old bones are gone out of all thought and sight. A new eating heaven has succeeded the old voracious earth.

That opens a whole fascinating field for Christmas shopping.

Flowers Add Gay Note

Cut Flowers, Potted Plants, Ferns and Christmas Trees Beautify the Home

There is a subtle compliment in a gift of flowers and a note of good cheer that make flowers a particularly suitable gift at Christmas. To those who seem to have everything it is always safe to send flowers, colorful blooms of carnations, roses and chrysanthemums; potted plants such as azaleas and cyclamen or delicate maiden-hair ferns. Old folks, especially, enjoy such a gift.

In many homes all the Christmas festivity centres about the Christmas tree. Whether the tree be only two feet high or reaches from floor to ceiling it serves as the base of decorations that reflect the spirit of Christmas. Trees should be spruce rather than balsam since the latter is more apt to lose its needles sooner. Small trees can be secured in pots and if properly kept in a cool place during the winter can be planted outdoors with success in the spring. Prices range from 50 cents and upward.

The chief potted plants available at this season are azaleas and cyclamen. The azaleas can be secured in pink or salmon color and will last for some two weeks while the cyclamen comes in orange, red or pink and lasts two months. Prices range from $1.50 upward according to pot size.

Beauty, Style and Quality are Features of These Gift Suggestions

Courtesy of T. Eaton Co.

Feminine hearts desire fine laces and lingerie and smart wraps. From Italy comes this lace of finest shadow darned filet for the formal tea table with graceful design in delicate "backstitch" handwork on the white linen centre. From France, a nightgown that is distinctly from Paris, of heavy white satin and exquisite Alencon laces and pointe de Turquie. The imported wrap is strikingly effective with its light crimson velvet and lining of eggshell satin.

A Christmas Dictionary

Christmas — The festival of the Christmas church observed annually in memory of the birth of Christ. The festival properly begins with the evening of December 24 called **Christmas Eve** and continues until Epiphany on January 6, the whole period being called **Christmas-tide** or **Yule-tide,** but it is more particularly observed on December 25, which is called **Christmas Day** or simply Christmas, and which is generally observed throughout Christendom by religious services, by public and social festivities, by the interchange of gifts between relatives and friends and by the distribution of food and clothing among the poor. In most Christian communities Christmas is a legal holiday.

Christmas box was originally a money-box with a slit through which coin could be dropped. It was carried by prentices, porters and others at Christmas-time for the reception of presents or money; hence, a Christmas gift, especially of money, but also meaning a box of presents at Christmas.

Christmas card—A card variously ornamented with designs plain or colored, sent as a token of remembrance at Christmas and usually bearing a Christmas legend or words of Christmas greeting.

Christmas Carol—A carol suitable for Christmas; a song or hymn sung in celebration of the nativity of Christ.

Christmas log, yule log, yule clog or Christmas block—A large log of wood which was laid in olden times to form the back log of the fire at Christmas time. Burning of yule log is ancient Christmas ceremony transmitted to us from Scandinavian ancestors who at feast of Juul at the Winter Solstice kindled huge bonfires in honor of their god Thor.

Christmas tree — A small evergreen tree or large branch upon which at Christmas, presents, ornaments and lights are hung as the occasion of a festal gathering.

Yule cake or Yule Dough—A cake made especially for Christmas time but also called **baby cake** because representing in shape a baby, probably the infant Christ.

Yule candle—A large candle used for light during the festivities of Christmas eve. In many places the exhaustion of the candle before the end of the evening was believed to portend ill luck, and any piece remaining was carefully preserved to be burnt out at the owner's like-wake.

The **mistletoe,** used first by the Druids, now mingles with the evergreens at Christmas. It is a jointed, dichotomous shrub with sessile, oblong, entire leaves and small yellowish-green flowers, the whole forming a pendant bush which is covered in Winter with small white berries containing a glutinous substance. The mistletoe was consecrated to religious purposes by the ancient celtic nations of Europe and was held in peculiar veneration by the Druids, especially when found growing on the oak. Traces of this old superstitious regard for the mistletoe still survive as in the custom of kissing under it at Christmas.

The holly plant, whose leaves and berries are used to decorate houses and churches at Christmas, has many varieties both in Europe and North America. This plant is a handsome evergreen and excellently adapted for hedges and fences since it bears clipping.

St. Nicholas or **Santa Claus,** who was Bishop of Myra in Lycia at the time of Diocletian, was persecuted, tortured for the faith and imprisoned until the time of Constantine and was present at the Council of Nicaea. He was honored by the Greeks and Latins of December 6. Most accounts of him are of a purely legendary character. There are nearly 400 churches in England dedicated to St. Nicholas. Before the Revolution he was the patron Saint of Russia, the special protector of children, merchants, scholars and sailors, and is invoked by travelers against robbers. There is a legend to the effect that he secretly bestowed dowries upon the daughters of an impoverished citizen to allow them to get married and avoid a shameful fate which otherwise awaited them, and this is said to have started the old custom of giving gifts on the eve of St. Nicholas, subsequently transferred to Christmas day. Santa Claus is an American corruption of the Dutch word, "San Nicolaas," which they heard used by the early Dutch colonists.

Hanging up the stocking of the children on Christmas Eve by the chimney is an old custom. The children think that Santa Claus comes in a sleigh drawn by swift-flying reindeer and accompanied by the jingling of bells, and that then he descends through the chimney. The stockings are filled with oranges, nuts, raisins, small toys and others are placed on the Christmas tree.

Christmas foods traditionally are the goose or turkey, plum pudding which should be on fire when brought into the room, sucking pig, Christmas beef, nuts, raisins and candies, cranberry sauce, roasted chestnuts, pickled pork. The goose was formerly used almost exclusively but within a generation the turkey has almost supplanted it showing that moderns are in process of contributing as much to Christmas as their progenitors did.

Conversation Is Scrambled On Beam Calls

Transatlantic Xmas Words Made Private by 'Phone Chefs

Those who are considering talking to friends in Europe this Christmas can take consolation in the fact that their words will not be available to the short-wave radio enthusiast. In early days it was possible to tune in on some of the telephone conversations as they went over the waves; now the talk has been scrambled by clever chefs of the telephone companies.

Like eggs, conversations are really scrambled so as to be unrecognizable to eavesdroppers. But unlike the food, the words can be unscrambled at the receiving end so that the recipient does not realize that the clear voice he hears has been garbled out of all recognition during its long journey.

Christmas is Logical Time

If you are not considering a call across the Atlantic, a domestic long-distance call is worthy of thought at Christmas. The spoken word is so much more effective than the written one. Ask a bill collector, he knows. One thing is important in making Christmas long-distance calls—have something to say when the call comes through.

We have known many well conceived long distance calls fail badly just because the telephonist lost his nerve when he got his party. Of course some people are not stricken with dumbness at such times but others can only say Merry Christmas and leave the rest to the operator. Possibly you have noticed the futility of reported conversations between eminent politicians when a new line is opened between Ottawa and somewhere thousands of miles away. Even these great men resort to trivialities which would make an ice man blush. Let it be a lesson in the awful effects of unpreparedness and have your Christmas message ready even if you have to read it out of a book.

Canadian Aluminum Record

The largest consignment of aluminium ever shipped into the United Kingdom arrived in the Surrey Commercial Docks, London, on Nov. 10. A total weight of 2,368 tons was landed from Canada.

Hosiery is Always Appreciated

Courtesy of John Northway & Son.

Few things could give her more pleasure than a box of fine pure thread silk hosiery. The married man probably remembers that two pairs of the same color will last much longer than one pair.

PROPER COMPANY LAWS NEEDED TO GUARD INTERESTS

(Continued from page 14)

pany law permit a division of the amount of consideration received for no par shares (common) with a part recorded as stated or legal capital, and the balance set up as distributable surplus. In so far as this division did not go beyond the amount of organization expense and a fair commission on shares, it may be that no great harm would be done although even that is not desirable.

It is well known that the consideration received for different classes of shares is not segregated but included together in the assets of the corporation. There would appear to be nothing to prevent the issue of common shares without par value for intangible consideration, whether it be services or something else, and a division made with a part of the credit set up to distributable surplus, followed by a dividend appropriated out of that distributable surplus.

Spurious Dividends

Suppose this dividend is on the preferred shares. The effect is, assuming there are no profits at the time, that there is paid out in dividends a part of the cash consideration received for the issue of preferred shares. Shareholders are led to believe the company is prosperous. They are receiving dividends. This may be a reason to urge others to invest. The fact is the shareholders have received back a portion of that they had paid in to the company but out of capital funds instead of out of assets acquired through earnings.

If a dividend were appropriated to common shares as well, the situation would be worse still. Such a step may not be likely but it is possible. While this provision relative to no par shares may assist in promotion, it does not lend itself to sound finance nor to protection of the interests of the company or investors. The whole amount of the consideration received for no par shares should be set up as stated or legal capital. Funds raised should be intended for operation.

Curbing Unsound Mergers

While it is not desirable that the provisions governing business corporations should be so onerous that they would prevent the formation of such corporations, a first consideration should be a sound finance and protection to the investors. In this connection, a provision should be included in law that would require that the proceeds from the issue of shares or bonds of the corporation shall be received by and belong to the corporation. Whatever the machinery may be that will be necessary to enforce such a provision, it should be so efficient and effective that it would prevent an increase of capitalization without an increase in capital funds.

This would have a very definite bearing on the subject of mergers and reorganizations that are made or brought about not because of the necessity on the part of the corporation but as a matter of finance. The result of such operations, when there is no effective supervision or legal provisions, is to greatly increase the capitalization while the proceeds of securities which are supplied by the public do not all reach the company itself. Such condition is not fair to the business corporation nor to the public investors who, when a period of depression arrives, find that it was they who assumed the risks and stand the loss when further reorganizations become necessary.

Curbing The Financier

The direction of industrial and commercial enterprises should be in the hands of those who, through experience, understand the intricacies of the business and these should not be supplanted by the financier. This will lend itself to sound business and sound finance in business. The financier has his place, an important one, but company promotion, mergers and reorganizations must be for the benefit of the corporation and not looked upon from the point of view of financial benefit in particular. Would it not be possible to make provisions and provide machinery to give this assurance by requiring approval of proposed mergers and reorganizations as is necessary in the case of banks and insurance companies?

It is neither reasonable nor sound that while the public provide funds in return for a corporation's securities, only a part of the contributions should be employed to earn the charges on the whole. This is unfair both to the investor and to the public at large. There should be no insurmountable difficulty in the way of uniformity in legislation to assure that funds raised by the corporation are employed by the corporation for its own objects.

Corporations do not like too much control and supervision by governing powers and this is natural. Nevertheless the line can be drawn only at a place where the interests of the corporation and of the public investor have been safeguarded.

Consideration For Securities

A very difficult point with which to deal adequately is that of the consideration for securities issued. The Companies Act of Quebec provides that "subscriptions for stock must be paid in cash unless payment therefor in some other manner has been agreed upon by a contract filed with the Provincial Secretary at or before the issue of such shares or within thirty days thereof." At first glance this may appear to provide protection but the protection is limited. It goes to the extent only of making known to the governing department the nature of the consideration when it is other than cash.

The usual practice has been to give common shares as a bonus to the purchasers of preferred shares or bonds. A company may not issue its shares as a bonus. They must have been issued for some consideration and fully paid. At that stage the shares become the personal property of the holder. He may give them away if he wishes. No doubt this leads to the issue of a large number of shares, the amount of which is based not so much on the value of the consideration but on the number of shares desired for bonus purposes.

A person who pays cash for his shares will not give them as a bonus or make them available for bonus purposes by a transfer to a trustee who would pass them on as required. If the consideration had a value equal to cash, it is unlikely they would be given away in this manner. This would imply that shares are issued in excess of real values and this is usually for intangible consideration. By arrangement with those to whom they are issued, a portion of the holdings may be made available for bonus purposes.

Problem of Control

It would be difficult to control the actions of an individual in this connection especially under Dominion law. It would not be so difficult, however, to do something toward giving an assurance that the amount of consideration received for shares bears a fair relation in value to the amount at which the shares are recorded. It would mean that preferred shares and bonds would have to find a market on their merits if shares are not made available for bonus purposes but it is doubtful if anything could be better than that they should if the matter is looked upon from the point of view of sound financing.

Revaluation of Assets

During a period of prosperity, such as was experienced prior to the summer of 1929, it became a usual practice to revalue fixed assets and appreciate them by the difference between the appraised values and book values. It is not suggested that this should be prohibited. The difficulty is not so much in the appreciation of the asset as what is done with the other side when setting up the appreciation or showing it in a balance sheet. Such appreciation is not a profit since realization is the underlying essential to profits. It is not in its true sense either earned surplus or capital surplus and, in fact, it is not a realized surplus at all.

There should be no great difficulty in providing that such an amount should not be merged in the surplus and that it should not appear in the proprietorship group in a balance sheet. It would be better that it should be shown between the liabilities and the proprietorship, if it is shown on that side at all, since it remains negative to the asset. Perhaps the ideal method would be to deduct the appreciation from the new book value of the asset but this may defeat the purpose of the appraisal.

Treating Goodwill

Cases have arisen where the appreciation has been applied to write off intangibles such as goodwill. This should not be permitted. It is assumed, whether it is true or not, that goodwill has been purchased and paid for at an estimated fair value. The effect of writing off the goodwill by applying the unrealized appreciation is to merge the intangible into the tangible and leave nothing on the statement to indicate the fact. By this time we know that appreciation may possibly vanish, and that much of it has vanished during the past few years. If the credit is set up as appreciation reserve or revaluation reserve, the amount is available for adjustment should values decline in the same assets. The fact that it is unrealized excludes it from true surplus.

Disclosing Earned Surplus

A further matter in this connection refers to the statement of surplus in a balance sheet. The earned surplus should be fully disclosed. Any true capital surplus that may exist should be fully disclosed also, whether it consists of premium on shares, or profits from the sale of capital assets, or whatever its source may be. True capital surplus constitutes a part of the shareholders' equity but it has its own purposes and should not be confused with earned surplus. Any unrealized amount, such as appreciation to which reference has been made already, should not appear in surplus at all. It should be a simple matter to make provisions to cover such points as these.

The Company Act requirements relative to the information that shall be disclosed in a balance sheet as set out in the federal and in some of the provincial acts are very good as far as they go. If provisions were included in the acts covering points to which reference has been made, some protection would be afforded. It is very desirable that provision should exclude any intangible value being shown as part of the value of tangible assets. This would apply in a case where one company purchases the business of another and values the fixed assets on the basis of anticipated earning power rather than on their physical value. The same would apply where the cost of organization expense and commission on shares are merged into the value of tangible assets without adding any real value to them. Where there are capital expenses or intangible assets are acquired, these facts should be disclosed clearly.

Grouping Balance Sheet Items

The real value of a balance sheet lies in the information it discloses and this includes information as to the relationships that exist within a corporation. The accounts of corporations must be audited and public accountants are careful usually to group the balance sheet items properly. It must be remembered, however, that an auditor cannot dictate the policy of his client. He may report where he disagrees but he would have very strong support if he had legal requirements behind him. These legal requirements might provide for the proper grouping of current assets, tangible fixed assets, intangibles, deferred charges, current liabilities, deferred liabilities, and any other group that may be necessary.

In this connection it would be very easy to make it a matter of law that in the case of public companies which offer their securities to the public, partial audits will not be permitted and detailed audits will be required. This may be intended in the provisions of most of the acts that require an audit but partial audits are not unknown. The result has not been satisfactory always.

None of the points to which reference has been made would seem to cause insuperable difficulties and provisions covering them would be in the interests of sound corporation finance.

Complete Information Inoperative

A good deal has been said about the information that should be given to the shareholders. It is true very many of the shareholders do not understand financial statements. It is true also that many who have some knowledge of financial statements may be misled if all the information is not disclosed and in its proper relation. There will be some who do understand financial statements. It is imperative if industry and commerce are going to retain the support of the public, without which they cannot obtain funds necessary, that all legal protection possible should be provided and that all information available should be given to them. Shareholders are entitled to this and it is not unreasonable that the bondholders, as far as it may be possible, should have true and complete information published for their study.

There are other matters of detail which have been discussed in the financial press and in other publications, but the purpose of this article is to draw attention more particularly to matters that have a bearing on the financial side of the question.

Assuming that provisions were included within the Companies Acts with a view to incorporating the protective features to which reference has been made, their enforcement must follow. The foregoing is not intended to question the enforcement of the statutes governing companies as they exist but is meant to stress the fact that if the corporations and the investors in them are to be given what protection is possible in law, the law must be made effective.

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Canadian Craftsmen Recreate Artistry of Georgian

CHINA FINE GIFT

Flair for Tiara Answer to Jewellery Problem — Fur's Age-Old Appeal

Although George III has been blamed for the loss of the American colonies to Great Britain, his day can be remembered more gloriously for the artistry of fine silver pieces. And it would be a bold critic who would say of any Georgian piece that it surpassed in beauty the masterpiece of Paul Storr, a tea service in heavy sterling, which has recently been reproduced in Canada by Birks craftsmen. Among Christmas gifts de luxe this deserves to be ranked among the most superb.

This service has to be seen to be understood as a work of art. Grecian lines of simplicity are embellished by chasing and figures on handles, spouts and mountings. The main surfaces of the pieces are unblemished, adding to the Grecian effect, and imparting a tone of modern simplicity. No wonder Paul Storr is ranked as immortal by collectors. George III may have been the enemy of "democracy" but he owes this craftsman of the people a debt for bringing the Royal name into association with an enduring work in silver.

Collectors, naturally, would not be fully satisfied with the reproduction, just because it is that. But Canadian craftsmen have caught the spirit of the original. To one who considers making such a gift it should matter little that it is not original. Although Storr's did not create this service, his was the inspiration. The beauty is the same. In this it is something like music. The composer dies but the spirit lives. Beethoven's music played by Rachmaninoff is still Beethoven. And the modern instruments of interpretation for both musicians and silversmiths are improved over those of 150 years ago. Paul Storr's tea service, created anew in 1933, is still Paul Storr in artistry, if not in fact.

That Spirit Lamp

The spirit lamp under the water kettle in this and other fine sterling tea services may irk the practical modern man. One such said to The Financial Post:

"What's that?"

"A spirit lamp," was the reply.

"But do they use those nowadays?"

"Certainly, people like to have them even if only for appearance."

"I can't see why they wouldn't use electricity," concluded the practical male.

The only answer to this spirit-lamp anachronism inevitably takes the form of a pun. The lamp is in the spirit of the age in which it was first devised. And tea drinking itself harks back to another day. The artistic soul would give scant consideration to this practical objection.

Sterling silver flatware makes another fine luxury gift. One of the advantages of flatware is that any desired amount may be given. The donor or the recipient can add to it on birthdays, anniversaries, and at succeeding Yuletides. Modern art triumphs again in reproducing ancient patterns in the same spirit as the Storr tea service reproduction. The heavily luxurious Old English Thread would make an excellent companion pattern to the Storr design. At the other extreme are the lighter, daintier Louis patterns with their elaborate scrolls and folderols. In-between can be found designs to please every taste.

British China

Since we have found ourselves at tableware among these gifts de luxe, we might as well look at china and crystal. Wedgwood, Aynsley, Coalport, Paragon, Doulton, Crown Derby, Stuart are among the famous names which immediately rise in the mind. In china there is something just a little different in Paragon, whose makers only last year received a Royal appointment. To only a few is granted the privilege of eating and drinking with Royalty, from the Royal china. But, in this make, patterns of sets designed for the baby Princess Margaret Rose, the Duchess of York and Queen Mary are available. These patterns are somewhat reminiscent of Crown Derby in coloring, but are of floral and scroll design in contrast to some of the Crown Derby geometrical schemes. Those who have more of a flair for modern simplicity of pattern can get this, as well as more elaborate design, in nearly all the famous English makes. There is no difficulty in buying British where china is concerned.

Cut crystal makes one of the finest tableware gifts. And like silver can be bought in any desired quantity. Nearly every woman goes into ecstasies of delight upon receipt of a gift of crystal. And most men at least like to hear the prolonged ring of "the real thing" when they rap it with their knuckles; they also grant that crystal adds to the pleasure of drinking either water or wine.

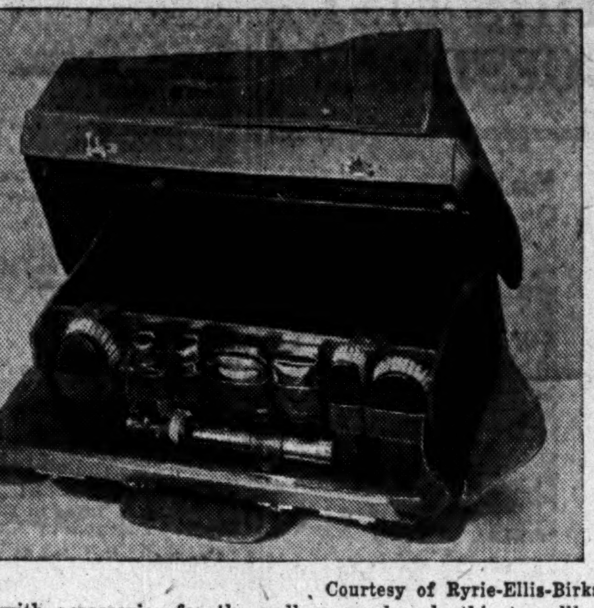
Jewellery and Furs

The solution of the gift problem of the man of wealth is simplified this year by the ladies' flare for brilliants for the coiffure. Tiaras, in jewels of the highest or lowest rank, are the rage among the fair sex this year. Sun, moon or stars in diamonds, rubies, sapphires and emeralds, or the less costly rhinestones, are being worn in the ballroom. Then there are the brilliant jewelled clasps for the evening gown and jewelled buckles for the faminine footwear.

Among the precious stones, diamonds may be given the highest rank, and have the added advantage of combining well with other stones. Diamonds and sapphires, diamonds and rubies, diamonds and emeralds, these are among the most tasteful color schemes. They combine well for the ear rings, bracelets, ear clips, brooches, and for the necklace. If a matched set of jewellery is preferred to odd pieces, topaz and old gold make a striking combination.

A present dear to the feminine heart is that of furs. And this has been so since earliest times. Among the more luxurious furs may be numbered ermine, broadtail, mink and Russian caracul. Broadtail, in grey or black, makes a striking coat for street wear in combination with silver fox; and the latter can be made up with Russian caracul with telling effect. Mink makes a very warm coat, and is distinctly in the modern style. Ermine is supreme for luxurious evening wear. A coatee, styled like a short cape, can be combined strikingly with a black velvet wrap. The supreme opus of the furrier for evening, however, is the full-length white ermine coat. One feature which the male will appreciate in this fur is that, unlike the imitative white rabbit, it is not inclined to shed its substance on the dead black of male evening dress.

For the Well Appointed Traveller



Courtesy of Ryrie-Ellis-Birks.

Complete with accessories for the well-groomed male this travelling case in its very smartness lends distinction to its owner. With a place for everything and everything in its place nothing need be lacking for week-end or longer journeys.

New 1934 Motor-Cars Delight Eye and Purse

With the new 1934 automobiles featuring such altogether amazing things as "knees," "skirts" and "pants" the Christmas shopper may well stop, look and listen, to the alluring offerings that will be on the market before Santa Claus comes down the chimney on Christmas Eve.

Only a short time ago we estimated that three out of every four passenger automobiles in the Dominion were at least four years old. This means that nearly all of us in Canada who drive cars are simply not "au fait" with the wonderful developments of the past few years.

We may have read the advertisements; we may have even had a ride in one of these fine new machines; but when it comes to sitting behind the wheel and tasting the joys of an automatic gearshift; draughtless ventilation; individual wheel suspension; power brakes—to mention but a few of the significant developments of the past year or two—most of us simply have to admit defeat.

So if you are toying with the idea of turning in the old bus (and who isn't?) you should certainly know that dollar value in the automobile world has never been as great as it is at this present time, and that in all probability by next year, many of your favorite models may be offering at slightly higher prices.

In fact all you need (beyond a purely nominal sum in your pocketbook) is a really good tryout in one of these fine new cars, and there is little doubt that your Christmas shopping problem will be immediately and very easily solved. For automobiles (1934 style) are almost irresistible to anyone who is still driving a pre-depression motor car.

And of course your Christmas shopping list dissolves into thin air once you have made the decision. The problem simply doesn't exist at all, for no matter how many there are in your family they would probably take it as a personal affront if you were to give them something individually — in addition to a new car.

Why not drive round to a showroom this afternoon?

Gifts May Perish But Memory Stands

Gifts that last an hour or a day may be remembered by the recipient a whole lifetime.

Does not many a woman prize the memory of flowers of which there now remains no trace on earth, beyond many more solid and substantial gifts?

Do not candies, cigars, cigarettes, tobacco, ginger ale and other beverages create a joy that is lasting, and what is there more enduring than a dinner given to a family without money or prospects of work?

Male Shopper Demands Protection at Xmas Time

There is the unemployment problem, public works problem, disarmament and a dozen or more problems engaging the earnest attention of world statesmen and thinkers. To the man on the street these problems sink into insignificance compared with that of how he can buy slips, step-ins, panties, scanties and otherfeminine garments without losing the remainder of that innate modesty which is the birthright of every male being.

Life's most embarrassing moment has been pictured by a well-known cartoonist in many ways, but there is none to compare with a mere man who walks into a department store or specialty shop and asks the bright young thing behind the counter for scanties, panties, or those other queerly named intimate things which the wife or girl friend not only anticipate, but demand, in their Christmas stocking.

From one's past experience the "girl behind the counter" appears to take a devilish delight in making the most of the opportunity. They areextraordinarily inquisitive. They seek information far beyond the ken of the buyer, whose only thought is to get "the thing" wrapped up as quickly as possible so that he can get out into the open air again and regain his composure.

Why has no one ever formed a League of Defence of the Male Shopper? Its constitution should contain a Section 98, providing due and sufficient punishment for the shop girl who blandly holds up for display and the edification of other shoppers, a pair of ——, which you thought would make a nice Christmas present for the dear little woman.

This problem of the male shopper and feminine garments has been given consideration by some of the larger stores, but they have not given it the thought that its importance justifies. The management of one large departmental store have a number of "trippies"—a trippy is girl of tender years who has not graduated into the ranks of saleswoman—who takes your hand and leads you from department to department. This is confusion confounded. Instead of parading your embarrassment before one sales girl, you have the doubtful pleasure of doing it before two under this system.

Comes to the Rescue

One speciality store, with branches in Toronto, Montreal and elsewhere deserves the thanks of the thousands of poor, male shoppers who stand in sub-zero weather gazing in the store window before they can pluck up sufficient courage to go inside and do their shopping. This company has set aside a room in the basement of each store—the basement room being picked, one supposes, because of the shopper's lowly spirit—where Mr. Man can sit down, light a cigarette and recover his composure. (Suggestion for the store: a good hooker of Scotch or a cocktail would help.) Here the male shopper is shown these intimate garments he doesn't want to look at at the regular counters, where women shoppers congregate, and sometimes snicker, at his efforts to decide on the blue or the pink thing.

When the League for the Protection of Male Shoppers reassembles after Christmas, it will, no doubt, pass a resolution of thanks to this enterprising company and express the hope that other purveyors of women's garments will go and do likewise.

Sports Goods Meet Needs of Shoppers

Something for Everyone to be Found in Games

With all the world going sports-minded shops that sell such things as double runners for Baby Tom and physical jerk machines for grandmama seem to hold the solution of Christmas gifts for every age.

Just listen to the letters to the radio Santa Claus and every small boy demands a hockey stick and skates and a decent puck and wise parents will see that Santa pays attention. The hours after school will be full of fun and fresh air for sonny boy who might otherwise fuss about the house, a regular torment wanting to be entertained or getting into mischief.

Sad but true, there are days when they just must stay indoors and that's the time to bring on the games, tiddlewinks and lotto, if they are sweet and calm, or what about the junior edition of the naughty, naughty, Roulette or, for the active sort, a large cork board target with a bundle of real live darts. They say that there's nothing so good for training of the eye and hand.

Ski-togs for Elders

Where there is snow with the odd hill to go under it, there will be skiing, a grand sport for the grown ups. You have noticed, of course, that ski costumes aren't what they used to be. Time was when sister wore brother's old riding trousers or fathers discarded knickerbockers cut down. Just try to send her out to the hills in such an arrangement today. Norway designed the right costume and France has added the tricky touches and the color. If he or she has the slacks and the coats and the handsome sweaters, then what about Norwegian ski-bands and similar arrangements to go around the waist line to serve the same purpose as the old leather belt. Caps, if you wear them, are colored to look like a sugar stick this year and the leather mitts have cuffs that have also gone color wild. If your price limit is fifty cents, then give him a stick of ski-wax or a box of Dubbin to keep his boots soft and pliable. If the ski harness is old-fashioned and leathery how about changing it for one of the new and snappy metal arrangements that clamp on in a twinkle.

Presents for the Girl

If you are a he choosing a present for she and she doesn't ski but is the star of the fancy skating department of the winter club . . . well, its impossible for me to say what she would like, but it will be child's play for you to choose from all the wonderful array in the sports shop . . . if the worst comes to the worst and she has just everything, don't forget that she can't have too many handkerchiefs. Yes, you'll find elegant and obligingly large ones in the sports shops.

Looking to the Future

There is always one far-sighted uncle in every family who knows that little Johnnie and Susie will have everything for winter time, games and skates and skis and toboggans, and caps and sweaters and things and he says to himself. Ha, spring is coming! and summer after that? Now a fine football for Algernon might be a good idea, and Deborah certainly needs a new swimming suit . . . Deb could use it right now in the tank and in her gym. work. Or young Brutus may fancy hunting . . . there is a grand hunting knife just his size for next autumn's rabbit hunt. What about some good fishing tackle, a rod, a line, a box of handsome flies, yes, what about them for the grown up fishermen as well as the youngsters. Butterfly nets for the zoologist, pails with airholes for watery specimens . . . just everything for everybody in the well outfitted modern sports shop.

Old Picture Of Xmas Meal Out of Date

Housewives Turn to Skilled Chefs for Holiday Fare

Tradition dies hard. Year after year we delight in Christmas pictures depicting retund gentlemen in red coats sitting on stage coaches; the old Dickensian spirit is very much abroad at this time of the year. A favorite picture shows a family of bewigged and crinolined individuals seated around a groaning table while numerous servants bear in steaming bowls of punch and haunches of venison.

These scenes, however, do not occur today. It would be somewhat of a shock if Christmas cards featured a family seated around a dinner table in a hotel, but it is safe to say that this is the way Many spend their Christmas evening: Haunches of venison and rosy cheeked maids are lacking in many homes today, but a fair substitute is to be found in hospitality dispensed at modern hotels and restaurants over the holiday season.

More and more the community is turning to the skilled chefs of the modern hotel kitchen rather than to depend on their own efforts combined with the intricacies of a cook book. Hotels and restaurants are catering to the Christmas public in a manner unheard of a few years ago; turkey and plum pudding in the cheery atmosphere of a hotel tastes just as good, if not better, than the same fare emanating from the stewing horrors of the domestic kitchen.

No more dishes in the sink, the popular song says. This is an angle to the down-town Christmas dinner which does more to sway popular opinion than anything else. Husbands, pocketing their change after a good meal, think with some degree of pleasure that some one else is confronted by a pile of dishes. Wives smile as they think of the unsullied kitchens to which they are returning.

Non-Smoker Misses Much At Yuletide

Should be Converted With Large Gifts of Tobacco

Christmas is a time for cheer and goodwill but inevitably one's thoughts turn to those who are not able to enjoy the good things of life at that time. Thus amidst all the joys of the holiday season pity must be extended to the poor unfortunate who finds no pleasure in the joys which spring from the succulent leaf of the tobacco plant.

Not for him are the gaily wrapped boxes of cigarettes and cigars which contain the key to soothing clouds of blue smoke. Not for him are the attractive jars in which the mighty weed is ensconced at the Christmas season. Alone in misery the non-smoker sits, far apart from the madding throng. He cannot share the excitement of others as they pry open a box of priceless Havanas; there is no pleasure for him as his neighbor uncovers the unbroken ranks of a thousand cigarettes.

Smoking Man's Paradise

So shed a tear for the non-smoker at Christmas for his is a sad lot. For this is the season when the smoking man revels in unbounded delights. At every turn he is confronted with large and full cigarette cases; the very atmosphere is impregnated with nicotine. Merry Christmas means much tobacco to him; that is why the fair sex never has any trouble in selecting gifts for the male. If a man doesn't smoke give him more tobacco than ever; it may either convert him or else come in handy as a rich gift for his furnace man.

Women are said to be smoking pipes and cigars today in fashionable circles. Give a box of your favorite Havanas to the wife this year, or a nice looking pipe. She will be pleased at your knowledge of what is chic and will either smoke them or give them back to you. Either way you're safe.

Lumber Shipments Grow

Canada's shipments of lumber this year — mainly to British Empire countries—are considerably ahead of last year's figures. During the ten months from January to October, this year, the exports amounted to 488,599,738 feet, as compared with 319,811,821 feet in the similar period of last year.

Gifts

SHE WILL WELCOME FROM HIM

The business man is invited to do his Christmas shopping at Fairweathers, where gift merchandise combines utility with style, quality and workmanship. Capable assistants are glad to advise and suggest. If desired, a personal shopper is available to select gifts intelligently from our collections.

SILK NIGHTGOWNS, with Alencon-type lace, 4.95.

DRESSING GOWNS, padded silk in pastel or black with contrasting trim, 7.95.

FLANNEL GOWNS, in new bold plaids and checks, 8.95.

LOUNGING PAJAMAS, silk, one-piece with flannel coat, 13.50.

IMPORTED KID GLOVES, pair, 2.00.

HOSIERY, chiffon, sheer and service weights, 75c to 2.00.

HANDBAGS, leather, antelope, beaded, metallic and satin, 1.50 to 15.00.

HANDKERCHIEFS, French and Irish linen, 35c to 1.50.

SCARFS, knitted silk, sheer wool, silk crepe, 1.00 to 8.00.

Gift Merchandise Certificates

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An experienced shopper will be glad to accompany you on a shopping tour through the store, advise you in your selections, or even do your Christmas shopping for you, carefully and intelligently.

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The CONTINUOUS-FLOW gas water heater supplies hot water, without waiting, every minute of the twenty-four hours.

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Visit the nearest gas company display rooms where every type of water heater may be seen, or telephone and our representative will be glad to call with full particulars of this or any other gas appliance.

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Sheffield Reproduction

Candlesticks richly ornate in florid shell pattern, so well known to lovers of old Sheffield. Three sizes —17.50, 22.50 and $30 a pair.

After-dinner Coffee Pot—stately in shape, richly hand chased in old English grape design. 27.50

Silverware—Street Floor.

Gift Lingerie

—of pure dye silk crepe, lovely with lingerie laces.

Nightie—in fitted Princess style, 4.95

Pantie and Bras Set—3.50

Bias Slip—3.95

Lingerie—Second Floor.

New, Novel Handbags

The "Key" Bag and the "Safety Pin" Bag are copies of recent New York successes. Good quality calf in smart shades, lined with moiré silk. At 4.95

Handbags—Street Floor.

Ski Suits

Dashing Suits of waterproof suede-finished cloth—the coat is cut like an officer's mess jacket. It fastens high at the neckline with a zipper, nickel buttons trim it. Navy, green, tan or lighter blue or red. 10.95

Ski Shop—Third Floor.

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Santa Claims Toys are Best For Children

Toy-full Christmas is Joyful Christmas for Young and Old

EXPERT ADVICE

Modern Views Give Santa Aid in Selecting Gifts for Youngsters of Every Age

Toys and children, Christmas and Santa Claus—how can one be separated from the other? The old legend of St. Nicholas is inseparable from the memories of the joy and laughter of tots and toddlers on Christmas morn. The patter of footsteps early in the dawn; the ill-suppressed excitement of anticipation; the thrill of discovery that Santa has been, has gone, but has left his gifts for good little girls and boys and even for those that are not so good.

But we, who take on Santa's guise, get pleasure not alone in the giving but in the choosing. Few are the adults that do not still respond in some degree to the lure of the painted toy. Dad still loves to play with trains and mother is entranced by a pretty doll. Perhaps, in many cases, the present younger generation profits from this innate attraction for toys and make-believe that possesses even the grown-ups.

Gifts for the Very Young

Toys have a very real importance in the mental and physical development of every growing child. Play usually contains some element of imagination and invention and new toys give new stimuli that have a definite if not a tangible value. Even the simplest toys for the youngest child have an educative value since they teach the child to manipulate new things. The smallest infants are attracted by color, noise and soft-textured materials. For the baby, gifts can include rattles, soft balls, and simple stuffed toys. These should be light in weight but sufficiently large so that they can be easily handled. Such toys should clean easily and should not have sharp edges or sharp points that would go into mouth or eyes.

Those buying toys for very young children may keep in mind that the development of the child is approximately as follows: at four months it holds its head up and looks at objects; it recognizes and begins to reach for toys at five months, at which age it should also recognize familiar sounds and localize sense impressions. At six months the child makes syllable sounds and plays with toys; at seven months it begins to sit alone; at 10 to 12 months it often creeps and begins to stand up; at one year it can say a few words and may be able to walk, although it is usually 15 months old before it begins to walk. At two years of age the child can run about and speak short sentences; at five years it is ready for kindergarten and at 14 the average boy and girl usually enters high school.

Imitation, the Great Schoolmaster

Children start at an early age to imitate those with whom they are in constant contact. The play of childhood is largely imitative and a great variety of toys has been designed to meet this urge. Dolls, miniatures of articles used by adults such as furniture, dishes, tools, trains, automobiles, all fall in this class. Then there are the toys of locomotion such as the rocking horse, sled, wagon, skates, skipping rope, swing, see-saw, scooter, bicycle, automobile, etc. Allied in some degree with this group are the toys that widen the radius of action, balls to throw and bat, bow and arrow, Indian and cowboy suits.

Toys that resist the force of gravity form another class and include tops, kites, balloons, soap bubble outfits, boats; monkey on a string; toys that operate mechanically, from the droll or comic figures that do their turn at the winding of a spring to electric trains, complete in every detail, are always in demand.

Interesting Work for Little Hands

Still another class of toys is that which trains the child in manipulating materials. Plastic substances for modelling; brightly colored paper for weaving or cutting patterns; sewing kits and sewing machines; colored balls and shapes to be arranged in varied forms; building blocks, jack straws, outfits to make simple moving toys and, particularly for the older boy, construction sets with metal girders and plates for making a multitude of working models of bridges and machinery, or parts from which model aeroplanes can be made that will actually fly. Books on carpentry and mechanics, on sewing and cooking must also be included.

Most toys serve to educate the child in several ways. Blocks, for example, train the child to manipulate its fingers, exercise its powers of invention, and, since many blocks are decorated by letters of the alphabet and animal pictures, the child may early learn to distinguish its letters and how to form words. Blackboards and desks take the child a step further. Chemical sets and nature study sets, containing miniature microscopes and slides, are available for the precocious child of 12 years.

Games that call for action of two or more children are valuable since they bring in the factor of competition, while group games teach the value of co-operation.

Tips for "Santa Claus"

Psychologists who have studied the pre-school child recommend that toys for children emerging from babyhood should take the form of materials rather than manufactured toys. Plastics, blocks, colored paper and scissors, crayons, paints, all fall in this class. The locomotor toys such as balls, wagons, tricycles, preferably with rubber wheels, etc., are valuable at all ages. These should be of sturdy construction. In the case of mechanical toys that do but one thing and one thing only, there is always the possibility that the child may tire of them rapidly, but many children return again and again to a beloved toy that, once new, has now lost its gilt but not its glamor.

Toys, briefly, should give the child something to do, should stimulate both imagination and self-activity. The toy or material should be suited to the child's mental and physical development, although it is better to give a toy that the child can grow up to rather than one that no longer offers new problems to be solved. Toys should be well-designed and made of durable materials. The doll that is "too good to play with" is a gift to the parent rather than the child who would probably be just as well satisfied with a much cheaper toy that can be used. Expensive toys are not necessarily the best toys and the toy counter of a five and ten cent store contains so much potential play material at low prices that no person need feel that their purse is so lean that they cannot give some gift to some child.

There are six main types of toys and in each classification there are toys designed for boys and girls of every age. The following list of types and the following suggestions will prove of value in selecting toys for children.

At the different age levels divide toys or materials under the following classes, selecting one or two from each:

1. Physical exercisers: (Kiddie kars, boxing gloves, etc.).
2. Sense developers: (Xylophone, sand, colored beads).
3. Toys for make-believe: (Dolls, laundry equipment, etc.).
4. Handwork materials: (Paper and scissors, raffia).
5. Building toys: (Blocks, toys, etc.).
6. Games.

Here is the Guide

A Guide to Toys and Play Materials For Children

One to Three Months—
Rubber ball and doll.
Rattle.

Three to Six Months—
Rubber toys.
Spools.
Keys on a ring.
Aluminum cup and spoon.
Paper to crumple.
Small ball.

Six to Nine Months—
Mirror.
Wooden beads on a string.
Leather reins with bells.
Small hand-bell.
Pie tins and spoons.
Clothes pins.
Large ball.
Bathtub toys of celluloid.
Tinker toys.

Nine to Twelve months—
Small drum or Japanese gong.
Basket for toys.
Stuffed animals.
Wooden and rubber dolls.
Balls.

Toys for the Baby Beginning to Crawl or Walk—
Large balls to roll on the floor.
Small kiddie kar.
Rocking-chair horses.
Floor toys to push and pull; wooden train, etc.
Several brick-sized wooden blocks to push and lift (2 x 4 x 10 in.).
Toys to pull with strings.
Doll carriages.
Low swing—low enough to touch his feet.
Strong chair to sit on and push about.

Toys for the Two-Year-Old or Runabout—
Sand-box and colored stones, sand toys, pails and molds
Balls: large soft wool, etc.
Wooden blocks (4 x 4 x 4 inches) and also more brick-shaped blocks.
Spools, rattle with bells, tambourine.
Block nest.
Washable dolls—rubber or wooden.
Linen and heavy cardboard picture books.
Wagons.

Toys For The Child Two to Five Years—
Board swing.
Walking beam.
Slide.
Sled.
Wheelbarrow.
Train of cars.
Broom and snow shovel.
Horse reins.
Balls of all sizes.
Large floor blocks of different shapes.
Musical toys.
Hammer and nails and soft wood.
Colored beads for stringing.
Telephone.
Bean bags.
Dolls—unbreakable, washable.
Cooking utensils for dolls.
Doll furniture.
Laundry equipment for dolls.
Stuffed or wooden animals.
Tools—real ones.
Sand.
Toy animals; Humpty Dumpty Circus.
Modelling clay, plasticine paints, chalks, paper, paste, blunt scissors, blackboard.
More books.
Doll carriage.
Doll's clothes.
Small wagons.
Tootsie toys.
Blackboard and chalk.
Crayons.
Miniature automobile truck with rubber wheels
Indian or cowboy suit.
Abacus board.
Real puppy.
Real kitten.

Toys for Children From Six Years On—

A child of over six years needs many of the toys already mentioned and others:

Sewing materials.
Tools and work bench.
Musical instruments.
Gymnasium apparatus.
Balls.
Boxing gloves.
Punching bag.
Skis, skates, snowshoes.
Sleds, wagons.
Dolls.
Doll furniture.
Real cooking sets.
Modelling clay.
Handwork materials of all kinds.
Electric trains, Meccano and Erector sets.
Real dishes.
Small sewing machine.
Small electric iron and other usable laundry equipment.
Typewriter.
Printing press.
Stamp books.
Games of all sorts.
Globes and maps.
Books.
School bag with initials.
Pencil box.
Crayons or paints with painting book.
Dolls in national costumes.

RUN YOUR EYE DOWN THIS LIST FOR CHRISTMAS GIFT SUGGESTIONS

For Mater:
- ☐ Evening cloak
- ☐ Carriage boots
- ☐ A new novel
- ☐ Refrigerator (electric or gas)
- ☐ Stove (electric or gas)
- ☐ Jade and diamond necklace
- ☐ Run about motor car
- ☐ Electric double-slice toaster
- ☐ Silk lingerie
- ☐ Fur jacket
- ☐ Sheffield tea service
- ☐ Bridge table
- ☐ Painting
- ☐ Place plates
- ☐ Overnight fitted bag
- ☐ Electric clock
- ☐ Grandfather clock
- ☐ Radio
- ☐ Cutlery
- ☐ Nest of tables
- ☐ Elizabeth Arden Toiletries
- ☐ Elizabeth Arden Perfume

For Pater:
- ☐ Golf outfit
- ☐ New book
- ☐ Box of cigars
- ☐ Smoking jacket
- ☐ Dressing gown
- ☐ Necktie
- ☐ Spats
- ☐ Cane
- ☐ Humidor
- ☐ Watch
- ☐ Meerschaum pipe
- ☐ Hand-tooled leather desk set
- ☐ Miniature of Mother
- ☐ Dressing gown
- ☐ Gloves
- ☐ Desk pen set
- ☐ Rolls razor

For Sister:
- ☐ Bunny coat
- ☐ Grand piano
- ☐ Evening dress
- ☐ Riding togs
- ☐ Electric waffle iron
- ☐ Negligée
- ☐ A new novel
- ☐ Ping pong table
- ☐ A string of pearls
- ☐ Perfume
- ☐ Leather hand bag
- ☐ Opera glasses
- ☐ Leather sports coat

For Brother:
- ☐ Skates
- ☐ Skiing outfit
- ☐ Cigarette box
- ☐ Book of animal stories
- ☐ Ties
- ☐ Socks
- ☐ Handkerchiefs
- ☐ Cigarette lighter
- ☐ Camera

For Business Associates:
- ☐ A box of cigars
- ☐ A new book
- ☐ A fountain pen
- ☐ An ink well
- ☐ Ash tray
- ☐ Any desk convenience
- ☐ A case of ginger ale or other beverage

For Stenog.:
- ☐ A box of chocolates
- ☐ Gloves
- ☐ A cheque
- ☐ Flowers
- ☐ Alarm clock

For the Sick:
- ☐ Silk eiderdown
- ☐ Electric pad
- ☐ Small pillow
- ☐ Thermos set
- ☐ Night light
- ☐ Bed-tray
- ☐ Flowers
- ☐ Bed jackets
- ☐ Books
- ☐ Calves foot jelly
- ☐ Fruit
- ☐ Bedside radio

For Those in Need:
- ☐ A cheque
- ☐ Coal
- ☐ Clothing
- ☐ Turkey
- ☐ Hamper
- ☐ Box of Christmas apples
- ☐ Christmas beef
- ☐ Plum pudding
- ☐ Candies for kiddies
- ☐ Nuts
- ☐ Raisins
- ☐ Dates
- ☐ Oranges
- ☐ Grapefruit
- ☐ Christmas crackers
- ☐ Box of biscuits
- ☐ Filled stockings

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Fruit production in Alberta continues on the increase with excellent crops of apples, crab apples and plums in many sections of the province, according to a provincial report. In certain irrigated sections of Southern Alberta, crops of apples, crab apples, plums and cantaloupes have been produced on a commercial scale for some years.

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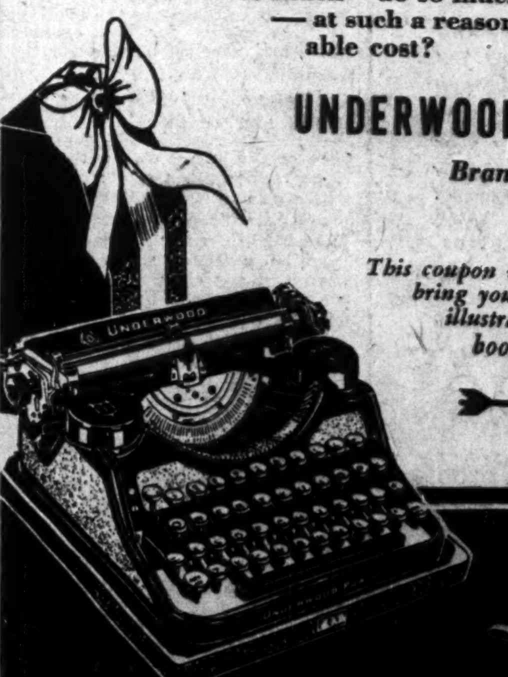

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